The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Hitler And Mussolini Resentful of Failure to Influence China

ARTICLES IN THIS ISSUE

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Why Are Missionaries Prevented From Returning to their Posts in the Interior?

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"Flank And Guerilla" Tactics to Follow Lunghai Defense

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Szechuan Struggles With Political, Economic Problems in Effort to Organize Effective Resistance . . . By Hin Wong

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密勒氏評論報
The China Weekly REVIEW

Formerly Millard's Review

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Contents

Editorial Paragraphs

Will America Lend Japan Money to Buy Cotton? 339
Why Are Missionaries Prevented From Returning to their Posts in the Interior? 340
Hitler and Mussolini's Failure in the Far East... 342
"Flank and Guerilla" Tactics to Follow Lunghai Defense 343
Brief Lesson in Habits of Air-Bombs for Cartoonists—and Others..... 344

Special Articles

Police Promotions Precipitate Press Polemics..... 348
Szechuan Struggles With Political, Economic Problems in Effort to Organize Effective Resistance.....By Hin Wong 350
Germany to Recognize Manchukuo; Hitler Demands Unification of German People 352
Outstanding Events in the Sino-Japanese War ... 355
S.I.R.C. Takes Care of Shanghai Refugees..... 360
Who's Who in China 361
Men and Events 362
New Books of Interest in the Far East..... 364

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS," COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

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WILL AMERICA LEND JAPAN MONEY TO BUY COTTON?

THE Japanese are trying to induce the American Government to grant Japan credits amounting to about U. S. $90,000,000 so that Japan can purchase her cotton requirements in the American market. Based on her purchases of raw cotton in 1936, which amounted to U. S. $88,210,429, it is understood that the Japanese have agreed to purchase an equal amount this year—providing President Roosevelt will agree to grant Japan credit for a period of several months. Japan's finances are in such a serious condition, due to the war, that the Japanese cotton industrialists do not have the money to pay cash as they did before their Army launched its adventure in China.

The newspaper *Nichi-Nichi Shimbun*, in the course of a discussion of the cotton situation said that the American Government's cotton price control scheme was a failure and had caused the Treasury heavy loss. The plan involved the purchase, through a governmental agency, of large stocks which were removed from the market, in the hope of boosting the price. The Japanese therefore propose, instead of the Government purchasing and storing the cotton, that Japan be provided with credits to buy the cotton. It is understood that the Japanese have promised—in the event the credits are forthcoming—not to reduce their purchases from the 1936 figure.

In other words, despite Japanese propaganda about obtaining new sources of supply in China and elsewhere, they now admit that they must make their purchases in the United States—providing the credits are forthcoming. The Japanese hope, in time to obtain 800,000 bales of cotton in North China (her purchases in the United States amount to about 1,300,000 bales) but have had to admit the initial failure of their program—for the first year at least—because the most they can get out of the northern Chinese provinces is 25,000 bales of exceedingly low grade stock.

The *Nichi-Nichi* therefore declared that everything would be most satisfactory if the U. S. Government, *following the example of the cotton and wheat loan to China*, would now grant a similar cotton credit to the Japanese Government in order that export of raw cotton could be made against the bills of the Japanese cotton spinners, which, in turn would be endorsed by the Bank of Japan. The reference to the cotton and wheat loan to China in the foregoing was of special interest because it was Japan's action which nearly disrupted the Chinese Government's purchase of some U. S. $50,000,000 worth of cotton and wheat about five years ago. The deal was negotiated by T. V. Soong, then Finance Minister, but when the Japanese learned about it, they conspired with certain pro-Japanese elements in Shanghai and forced Soong to reduce his purchases to about $20,000,000.

Now the Japanese are trying to imitate the Soong plan, at a time when there is a strong agitation in the United States for the boycott of Japanese products and a resolution has been introduced in Congress to sever all trade relations with Japan, unless the Japanese withdraw their troops from Chinese soil.

The Japanese have unconsciously presented to President Roosevelt a means of bringing an end to the war in the Far East!

⁂

TOKYO CONSIDERS "FRUITS OF WAR"

Koki Hirota, Foreign Minister, in the course of a hearing before the Diet sub-committee considering the Budget on Feb. 8, admitted that the Japanese Government was considering the matter of "obtaining 'fruits of war' from China commensurate to the sum—Y.2,500,000,000—which Japan had expended since the beginning of the struggle." Mr. Hirota did not elaborate on the term "fruits of war," but in reply to a later question he stated "it goes without saying that we shall have to obtain returns *in addition to reparations*."

When one of the members of the committee inquired what would happen in the event Japan failed to obtain reparations, Hirota replied that Japan's policy was based on the "Four Great Principles," which would be followed in negotiating with a "new regime." This would involve the methods of obtaining reparations, period of payment, and *things to replace money*. He said that the development of industries in the North is necessary and that these industries "would be strictly in cooperation with the Chinese masses on the basis of co-existence and co-prosperity . . . the method of obtaining reparations would not consist merely in obtaining things of a material nature, or even those of a temporary nature, but various other elements in the nature of *fruits of war* were now receiving serious consideration."

WHY ARE MISSIONARIES PREVENTED FROM RETURNING TO POSTS?

THE Japanese military authorities announced on Feb. 12 that foreigners, "including missionaries" would not be permitted to return to their posts in Japanese occupied areas in the Yangtsze Delta region. With the exception of missionary physicians connected with hospitals at Wuhu and Huchow, no permits had been granted, according to the Japanese military spokesman. In both cases it was reported that the mission hospitals had been taken over by the Japanese military authorities, but whether this was the reason why missionaries stationed in other towns such as Sungkiang, Soochow, Wusih, Chinkiang and a dozen other places had been refused permits to return to their posts was not known.

When it was pointed out that the Christian missionaries were chiefly concerned with relief work among civilian Chinese, the military spokesman declared that the presence of Chinese "stragglers" and absence of adequate transportation and communication made the return of foreigners to inland areas "impractical to say the least." Continuing, he said that whatever advantage might be gained by the return of such persons would be nullified if trouble arose. Someone inquired whether the Yangtsze Delta area "was still unsafe after three months of Japanese occupation?" The reply to this was that there were still possibilities for kidnapping or harming of foreigners by Chinese "stragglers." The spokesman also declared that the Japanese military authorities would not recognize "waivers of responsibility" which most missionaries allegedly were willing to sign in the event they were permitted to return to their homes and service in the interior towns and villages of the country.

It will be difficult to convince many foreigners that the Japanese refusal to permit American and European missionaries to return to their posts is done out of consideration for the welfare of the missionaries. That conditions within the Japanese occupied areas are unsettled is obvious because the Japanese have, as yet, supplied nothing to replace the Chinese administrations and civic organization which they destroyed. Furthermore, the Chinese official and civilian leaders with administrative experience have been driven away, leaving the remaining population leaderless.

But the average foreign missionary who has had experience in China is well equipped to deal with situations such as this, because the problem is primarily one of relief. The fact that the missionary workers are anxious to return to their

posts, despite the fact their homes and churches and schools have, in many cases, been entirely destroyed, should convince the Japanese of the missionary's sincerity. The further fact that the missionary is in a position to draw upon relief funds with which to extend assistance to the needy, should be an added reason for granting him permission to return to his post.

It is obvious that the refusal of the Japanese military authorities to permit foreigners to return to their posts in interior cities is not due to policy dictated from Tokyo because some missionaries have been permitted to return to their stations, or if they remained at their posts through the hostilities, they have been permitted to stay, though somewhat restricted in their activities.

Experiences of some who have tried to obtain permits to return to their homes and resume their work have indicated that the complications are due, more than anything else to unfamiliarity on the part of Japanese military officers with the service performed by missionaries. Regardless of the objectives of Japanese warlords, it should be apparent to them that anything done to relieve the distress of the Chinese people could be naught but beneficial.

There is growing evidence, however, that the Japanese are not only ignorant of the magnitude of the chaos they have created, but are almost completely overwhelmed by the problem of reconstruction. An American missionary, stationed in Shantung, who has associated with Japanese soldiers since their advent in that section, stated in the course of an article in the *North China Daily News* that the average Japanese soldier he had met was amazingly ignorant of the actual state of affairs. He said that the Japanese soldiers, due to propaganda spread among them at the time of their enlistment, imagined they had been sent to China to bring peace and prosperity to a land in chaos. But, stated the missionary, "the truth is that our district had never been so peaceful and prosperous as it was earlier in 1937, and never so chaotic as it is now."

In addition to objections based on suspicion and prejudice, there is evidence of lack of unity in the Japanese command. For example passes issued in Shanghai frequently are not recognized or honored by Japanese commanders in places only 25 miles distant. There was a case where a doctor was granted permission to return to a town near Nanking and was provided with a permit to reopen the mission hospital, but when he arrived, the Japanese commander in charge ordered him to leave the city immediately. In another case a missionary has a permit from the Japanese officer in control of a city near Shanghai, for the missionary to return and resume his work, but the Japanese military authorities here allegedly have refused to grant a traveling pass although the distance from Shanghai is only a few hours by train or motorcar. In other cases mission workers are refused permission to return to certain towns despite the fact that other missionaries, who remained at their posts through the hostilities, are still there.

A further example of confusion within the Japanese military camp was indicated in the complications over the landing in Nanking of a shipment of 100 tons of dried beans which had been purchased and transported to Nanking from Shanghai by the International Committee having charge of the Nanking Refugee Zone. The Japanese Admiralty in Shanghai granted permission for the beans to be transported to Nanking on a British boat but when the boat arrived at Nanking the Japanese Army authorities refused to permit the beans to be landed "as permission had not been obtained." Finally it was discovered, however, that the real reason for the Army's objection was that the Army did not want the International Committee to control the distribution of the beans to the starving refugees, but insisted that the beans be distributed by the so-called self-governing committee which the Japanese military authorities had set up in the city. Finally a compromise was reached whereby the self-governing committee received delivery of the beans, but since the committee lacked facilities for distribution among the refugees, the International Relief Committee did the work.

Up to the present the missionaries have exercised commendable patience, but in the event the refusal of the Japanese military authorities is continued, it is obvious that complications of a most serious nature will develop. The missionaries would be bound to report the situation to their supporters who constitute the membership of Christian churches of all denominations throughout the United States.

If the objections of the Japanese military authorities, based on regard for the personal safety of the missionaries, is overcome by the missionaries themselves agreeing to waive responsibility, then there can be no other reason for blocking the return of the mission workers to their posts—unless it is due to a disinclination on the part of the Japanese military authorities to permit occidentals to observe conditions in areas which are under the control of the Japanese Army. Assuredly there can be no other reason because Tokyo has repeatedly assured the American Government that Japan has no desire or intention of interfering with the legitimate activities of American citizens in China!

HITLER AND MUSSOLINI'S FAILURE IN THE FAR EAST

ADOLF HITLER and Benito Mussolini, dictators, who manipulate the international politics and the destinies of their respective countries and peoples somewhat in the manner of a poker game, have failed in their long intrigue to swing China into the so-called Fascist "bloc." Mussolini, who used to profess his fondness for Gen. Chiang Kai-shek in the form of frequent personal telegrams addressed to the Generalissimo, indicated his resentment at China's refusal to join the Fascist group by withdrawing his "aviation mission" and extending recognition to the puppet state of Manchukuo.

Hitler's failure to accomplish the same objective by posing as China's friend in an attempt to "mediate" between China and Japan, indicated his chagrin by also recognizing the puppet state and publicly expressing his hope and belief that Japan would win out in the present struggle. But Hitler added insult to injury by charging the Chinese people with "weakmindedness," presumably because of their refusal to accept his proposition, the content of which never has been disclosed. It is thought that Hitler, while posing as a mediator, secretly offered the Chinese authorities his assistance "if they would accept Japanese political and economic domination." On the other hand he was also plotting with the Japanese because there were rumors in Tientsin that Japan had promised Hitler the return of the old Tientsin concession. Thus the Nazi dictator, who compared himself to Bismark and Napoleon—to the discredit of both—has proved himself to be a cheap imitation of Machiaveli, the unscrupulous schemer.

Of the two plotters, Hitler has shown himself to be the more sinister because he has sacrificed the goodwill of the Chinese people for Germans, a friendship extending over many decades which even withstood the test of the World War. Although China declared war on Germany and ultimately consented to the deportation of a considerable number of Germans, the action did not represent China's voluntary action, but Allied pressure. China welcomed the Germans back after the war, employed a German military mission and extended German firms sufficient trade advantages to enable them to increase their position in the China market from seventh place to third last year, even surpassing Great Britain.

But Hitler threw it all overboard and has publicly joined the Japanese—where his sympathies have been all along. For a long time there have been ugly rumors that Hitler gave the Japanese General Staff a complete report on China's defense program as worked out by the German military advisers. It was claimed that the German military advisers had sent confidential reports on Gen. Chiang Kai-shek's defense plan to their home military headquarters and that Hitler used this as a bait to induce the Japanese to join the Fascist "bloc" originally. In making this report public we do not accuse the German advisers of duplicity; they probably were innocent victims of the Hitler plot along with the other members of the German community here which has never approved of Hitlerian policies in Asia. Sometime ago it was rumored that the German commercial community here raised such a row over the signing of the Japan-Nazi anti-red pact, that it was necessary for Hitler to promise the German businessmen that they would be reimbursed in the event they suffered losses resulting from Nazi policy.

What probably has happened is that the Japanese, as they did in the case of the British at Mukden and again in North China, have promised to guarantee the Germans against loss. In other words the Japanese have assured Hitler that they will assume responsibility for carrying out the contracts which the Chinese authorities had made with German firms or with the German Government. Hitler merely passed this on to the German firms in Shanghai in order to keep them quiet while he scuttled Chinese friendship and, figuratively speaking, threw his Chinese friends to the Japanese military wolves.

But there is nothing new in this manifestation of Hitlerian politics in the Far East. He has done the same thing repeatedly in the German domestic field and in European politics. He has merely repeated, with respect to Germany's Chinese friends, what he did with his own friends and

A SCOTCH SIDELIGHT

(Orr in the Glasgow Record)

"As an economic measure it is decreed

—that Nazis' brown shirts will be shorter

political associates in the wrecking of the German Republic, the so-called "blood purge," and his present program of accomplishing his objective even though the Germans and the rest of the world are again plunged into war.

"FLANK AND GUERILLA" TACTICS TO FOLLOW LUNGHAI DEFENSE

THE possibility of a change in strategy on the part of the Chinese high command in future operations was indicated in a *Reuter* report from Hankow (Feb. 18) which stated that an eventual shift from positional warfare to flank and guerilla tactics was likely. But before such a change could be regarded as necessary, it was forecasted that a major battle might be fought in Hupeh, possibly near Hankow.

According to Chinese plans, Hsuchow and the Lunghai Railway will be strongly defended but the battle will not be regarded as decisive. It is generally thought that the Chinese high command contemplates the eventual abandonment of these two vital regions. But this action, if taken, was not expected to weaken Chinese resistance, but would serve as a prelude to an even greater battle for the defense of Hankow where General Chiang Kai-shek allegedly has decided to mass an army of 40 Divisions.

General Chiang, naturally, is not closing his eyes to the possibility of a reverse and has made plans for such a contingency. It is reported in Hankow that the Government and the Army would withdraw from Hankow to the mountains in the northwest and the southwest using as a base the seven provinces of Szechuan, Yunnan, Kweichow, Kwangsi, Kansu, Shensi and Chinghai. There would be no more "positional" warfare, but resistance, it is predicted, would be continued unabated in the form of guerilla operations from one end of the country to the other. In this way Japan's military strength would surely be dissipated and finally exhausted with China emerging victorious in the end.

General Chiang, since his relinquishment of the Presidency of the Executive Yuan, has devoted his whole time to the war. A new army composed of reorganized divisions and fresh recruits has been trained in Hunan by Gen. Chang Chi-chung, Hunan Chairman and formerly Commander-in-Chief of Chinese Forces at Shanghai. The new army will be better equipped, with modern heavy guns, tanks, anti-aircraft guns, anti-tank guns, machine-guns and automatic rifles. The arrival of bombers and pursuit planes from Russia, England, America and France—with new pilots now being trained—is expected to make a serious challenge to Japan's supremacy in the air.

According to a foreign observer who recently arrived at Hankow, after a trip on the Lunghai and the Peiping-Hankow Railways, the status and morale of the Chinese troops is good. He said the situation at Kaifeng, capital of Honan, was not so serious as it had been reported. Both northern and southern banks of the Yellow River are strongly defended. He paid a high tribute to Gen. Li Tsung-jen for able defence of the Tientsin-Pukow Railway zone. He also praised the troops under Gens. Sung Cheh-yuan and Yu Hsueh-chung operating on the southern sector of the Railway.

On Feb. 18, on the occasion of the 4th Anniversary of the New Life Movement, Gen. Chiang appealed to the nation to wipe out the national humiliation. He made a ringing call for united action, strict discipline and sacrifice in the struggle against Japan. The address, broadcast throughout the country, put at rest all rumors of accepting Japanese offers of a humiliating peace.

Gen. Chiang said he inaugurated the New Life Movement four years ago to prepare the people for the present crisis. The purpose of the Movement, he said, was to fill every Chinese citizen with courage and determination to make sacrifices for the country. Strongly determined to avenge Japanese wrong on the Chinese people, Gen. Chiang painted a vivid picture of the suffering of the Chinese in Japanese occupied areas!

> "Our land is being occupied, our people are killed, our women are raped, our properties looted. This must be revenged. As long as there remains breath in my body, I shall keep on with this sacred task of recovering our land and to wipe out this brutality for the benefit of civilization and the entire human race. It is to be hoped that every one of us, as one man with one purpose and object, will fight on till the bitter end, until we emerge victorious."

General Chiang urged the people in these areas to face the situation with courage and determination. Under no circumstances should they yield to the Japanese. Even the danger of death should not make them participate in the creation of puppet regimes. He appealed to everyone to do his or her bit and assist in the campaign of armed resistance. "Every one of us must be the avenger for our parents, brothers and sisters."

To those behind the lines, Gen. Chiang urged, that they should strengthen the force of resistance, giving "all your time, your energy and your wealth to the country . . . . To die for the country is the most glorious deed.

"We must realize the depth of our national humiliation and the depth of the sufferings of our people. All selfish motives must be thrown overboard. Let us consolidate our unification and develop our spirit. We must keep order, uphold discipline and wholeheartedly fight the enemy."

It was also regarded as significant that Madame Chiang Kai-shek and Dr. H. H. Kung, whose presence in Hongkong had given rise to rumors that China was secretly negotiating peace with Japan, have returned to Hankow. Whatever the reasons for their visit in Hongkong, it is obvious that any attempt to talk peace either directly with Japan or through the mediation of another country under the present circumstances, is out of the question. China is determined to continue resistance and now that Germany has joined Japan, no mediation by another Power is likely.

Relations between Kuomintang and the Chinese Communist Party, which at one time were considerably strained, have shown signs of improvement. This was indicated in General Chiang Kai-shek's speech at Hankow last week, in which he reaffirmed his support of the 8th Route Army and urged the other military and civil officials to "follow the exemplary leadership" of the former Communist leaders. Gen. Chiang's stand concerning Kuomintang-Communist co-operation apparently pacified the Kuomintang members who favored one-party rule in China—Kuomintang dictatorship. Gen. Chiang and other leaders realized that this was no time for factional squabbles in face of the major menace to the nation.

Attempts by the Japanese and disgruntled Chinese politicians to set up puppet regimes in various occupied areas were revived. The ex-premier, Tong Shao-yi, wsa again mentioned as being interested in the scheme of a "Central China Government" with headquarters at Nanking. According to Chinese reports, certain Chinese politicians favored the organization of puppet Provincial Governments for Kiangsu and Chekiang, but the Japanese did not agree and insisted on carrying out their plan of a "Central China Government." Disagreement also developed between the Japanese military and civil authorities and this was reported to have contributed toward the recall of Gen. Iwane Matsui and the appointment of another commander on this front.

(Continued on page 360)

Brief Lesson in Habits of Air-Bombs For Cartoonists—and Others

PEOPLE in the United States may not realize it but most cartoonists have been unable to picture the dropping of an airplane bomb in a manner that even slightly conforms with the laws of nature or the diabolical intention of man.

The large percentage of cartoons drawn by the serious newspaper artists in the "Land of the Free" have, evidently, never seen a bomb drop from a rapidly moving plane and consequently have drawn bombs as falling on a mathematically accurate perpendicular, or, what is worse still, they seem to put a back spin on the bomb which makes the cartoon ludicrous to a considerable number of Americans and other foreigners in this part of the world who have been dodging air-bombs for several months, and, if they are still alive, like to read the American newspapers and magazines with their accounts and comments on the China war. Although disclaiming any such title as "expert," we feel that cartoonists, with a little thought, could portray a falling bomb accurately.

The laws of motion which govern a falling object, whether it be a bomb or a flower pot, are comparatively simple, and should be known *a priori*, particularly by cartoonists. However, since so many cartoons have included misplaced bombs, a review of these principles should not be out of place.

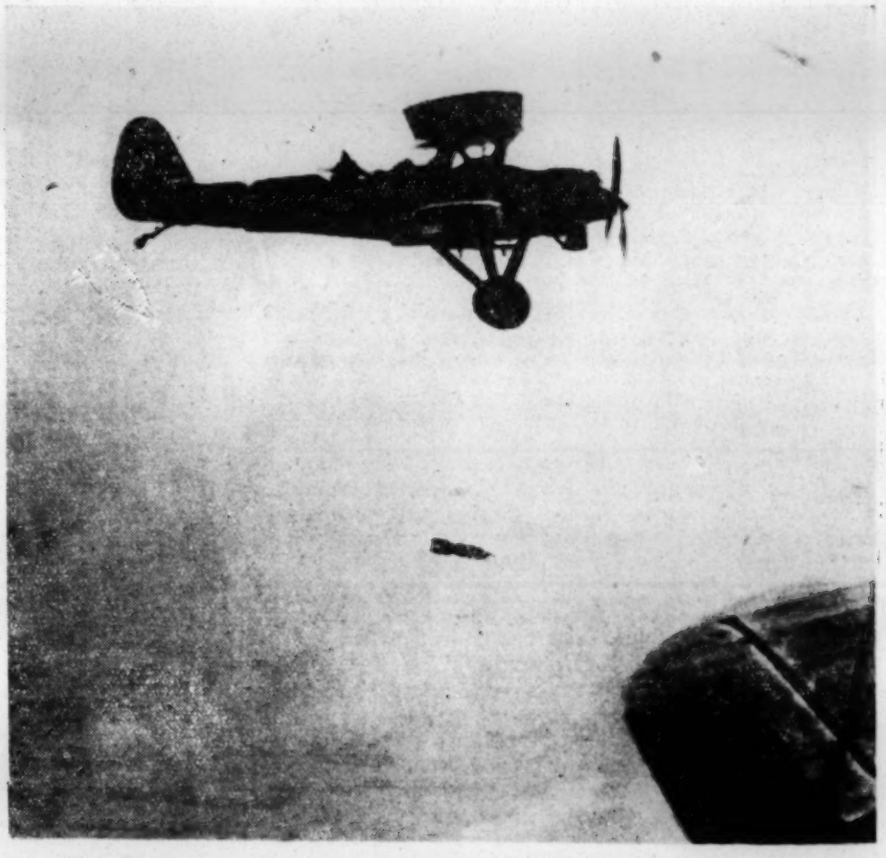
To begin with, the bomb, when released from the plane, has an initial forward speed equal to that of the plane itself. Witness the accompanying picture. The bomb was evidently released to the left of the picture, some distance behind the photographed position of the plane and bomb. However, the bomb is almost directly under the bomb rack of the plane. What is more, the initial foward speed of the bomb will be maintained until it strikes the ground, in conformity with a well known natural law dealing with inertia, which asserts that "an object in motion tends to remain in motion, while a stationary object tends to remain stationary."

Consequently, when the bomb in this picture strikes the ground it will be only slightly behind the plane from which it was dropped. It will be slightly behind the plane because of the wind resistance which slowed it up.

The bomb in this picture is almost parallel to the ground, but as it falls, the fins, offering more resistance to the wind, will gradually bring it to a vertical position so that the point, containing the percussion cap, will strike the ground first.

One of the errors supposed to have been made by Chinese airmen during the present Sino-Japanese struggle would have been avoided, probably, if the airmen had been more keenly aware of the fact that the bombs have a forward speed equal to that of the plane. A Chinese pilot, the story goes, was taking off from an unidentified airfield with a load of bombs that was too heavy for his plane. After just managing to get of the ground he realized that his plane was too heavily loaded, to at an altitude of about twenty feet or so, he dropped half his bombs, and consequently exchanged his plane for wings (we hope).

All of which means that if you are directly under a plane when it drops a bomb you are quite safe,



This picture (*Associated Press in Chicago Tribune*) **taken in China is probably the best picture of the kind ever taken anywhere showing exactly how a bomb falls after leaving the plane.**

for the bomb will be several blocks away from you by the time it lands.

So much for the forward motion of the bomb. The second natural force operating upon the bomb is the well known law of gravity, which causes falling objects to drop at 16 feet during the first second, 64 feet during the second, 144 feet during the third, etc., so that by the time the bomb has been falling for five seconds it has reached a speed of 400 feet a second. By that time the fins of the bomb have raised it to a perpendicular, and the ordinary observer believes that the bomb is falling straight down—but it isn't. A plane traveling at 200 miles per hour has a forward speed of 293 feet per second—but anyway, you can figure out the mathematics of the thing for yourself, for during the sixth second the problem becomes complicated, and anyway, there are too many things to be considered in a dropping bomb for a layman to give a complete analysis of the situation. But the fundamental principle is that a bomb travels in a parabola after it has been released from the plane. Its forward speed is almost constant, but its downward speed increases by

the square of the time in seconds, multiplied by 16.

All of which may sound complicated, but it really isn't if you just stand under a plane dropping a bomb and watch the curve described by the falling capsule of tears. It is because of the variations caused by wind currents, speed of plane, and other more or less indefinite factors, that the air navies of the world have adopted dive bombing, which is an attempt to shoot the bomb at the objective with a little greater accuracy. Now that all these figures have been introduced into this article, we hope that all American cartoonists (and you in Europe too) will refrain from drawing a plane dropping a bomb as though it were a chicken laying an egg.

As for the unfortunate ones who happen to be in the vicinity when the bombers arrive, remember that you are in no particular danger if the pilot releases his deadly missiles when directly over-head, but the falling explosives are likely to play havoc with the neighbors living in the next block!

Chinese Editor "Gets a Hand"

The American registered Chinese daily paper, Hwa Mei Wan Pao, favorite target of terrorist attacks, again came into the limelight Feb. 22 when T. T. Chu, editor of the publication, received a severed hand, neatly packed in a cardboard box, as a "gift" from the terrorists.

The box was delivered by a Chinese wearing a blue gown at Mr. Chu's house in Lane 225, Rue Pere Robert, at about 3.30 p.m. It was handed to an unsuspecting watchman who promptly brought it over to the Chu household. On opening the box, members of Mr. Chu's family found a severed left hand and a letter which stated that if Mr. Chu does not change the anti-Japanese policy of his paper, more "gifts" will be sent to him.

Refugee Couples Marry in Simple Ceremony

Nine refugee couples, outfitted in simple but proper attire, were tied in wedlock Feb. 20 in a foreign dwelling at 1220 Connaught Road. The mass wedding, along the lines of the now suspended but popular mass ceremonies initiated by the City Government of Greater Shanghai in pre-hostility days, was as ceremonious as its predecessors, though it lacked the richness and pomp.

Love at first sight in a refugee camp was not instrumental in getting underway any one of the refugee weddings, for in all cases bride and bridegroom were betrothed before the hostilities and the subsquent mad scramble of evacuation tore them apart. When the terror subsided, and they had time to look around, the lovers traced each other to various refugee centers in the city. Upon their request, local benevolent organizations arranged matrimonial facilities.

Usually an expensive affair, the present marriages did not put the principals to any expense, as clothes and modest celebrations were all arranged by various refugee camp officials. Benevolent societies and stores also contributed in order to give each couple suitable and sensible gifts.

Hull Favors Anglo-American Co-operation

"Without undertaking any obligations, we should co-operate as much as possible with other nations who seek peace in order to keep well alive in this world the fundamental principles of international justice, friendship, and good will."

This statement was made by the Secretary of State, Mr. Cordell Hull, in a speech at Des Moines (Iowa) Feb. 19 for the opening of a campaign in favour of an Anglo-American agreement.

"We must maintain sufficient defence forces for our country to be respected by all others," he added. "We must maintain with unshakeable firmness our attitude in favour of a limitation and general reduction of armaments.

"There can be no military disarmament without an economic appeasement. We must, therefore, do our share with all nations to reach these two goals."

The Secretary of State recalled that after the Great War, the United States followed a policy of high tariffs which brought about economic reprisals from other countries.

The future agricultural exports of the United States, he said, would depend on the attitude the country took towards imports from abroad.

Mr. Hull then recalled the results obtained by the bilateral accords. "Future negotiations with Great Britain," he said, "will play a vital role. The importance of commercial relations between Great Britain and the United States is sufficient to show the influence this treaty can have on the trade policies of the world.

"The two countries, by following a liberal policy, can, by harmonious co-operation, do a lot for the recovery of international trade."

Four Hundred Americans Honor Admiral of U. S. Asiatic Fleet

Admiral Harry E. Yarnell, Commander of the U. S. Asiatic Fleet, and Mrs. Yarnell, were guests of honor at the annual observance of Washington's Birthday, Feb. 22 by the local American Community at the Columbia Country Club. Approximately 400 Americans and guests were present. Dr. J. C. McCracken, President of the American Community organization, presided, while Judge Milton J. Helmick of the U. S. Court introduced the speaker. The foregoing, together with Mrs. Yarnell, Mrs. Helmick and Mrs. McCracken were in the receiving line.

Admiral Yarnell, after paying high tribute to Ambassador Johnson at Hankow and Consul-General C. E. Gauss at Shanghai said that Americans generally in China had performed a good service in caring for refugees who had sought safety in the neutral zones at Shanghai and other cities while missionary organizations and hospitals had also been of great service in caring for wounded soldiers and civilians. In referring to the general situation of Americans in China, Admiral Yarnell said that citizens of the United States had traded in China for 150 years and he was confident they would continue trading here for another 150 years. He doubted that the advocates of isolation would succeed in their efforts to withdraw Americans from other lands, and paid high tribute to the efforts of Secretary of State Cordell Hull to negotiate reciprocal trade treaties, as means of relieving suspicion and ending the terrible fear of war which is gripping the world.

Chinese Raiders Bomb Formosa

For the first time in history, invading aircraft subjected Japanese soil to aerial bombardment on Feb. 23. In two flights, Chinese raiders dropped their missiles near Taihoku and near Shinchiku on the western coast of Formosa.

Several women and children were killed at Shosansho, a Taihoku suburb. Several civilian casualties were also registered at Chikuto, outside Shinchiku.

According to a Formosan garrison communique, twelve Chinese planes, "flying at such a high altitude that they could not be seen," appeared over the Taihoku aerodrome at 11.05 o'clock that morning.

They released ten bombs, most of which fell wide of their mark, the strongly-defended Taihoku military aerodrome. While some of the missiles dropped in fields several hundred yards from the aerodrome, others hit houses at Shosansho, east of the city. Several women and children were killed or wounded. "Material losses were small," the announcement said.

The second attack was staged after 1 o'clock, when another group of ten bombs was dropped at Chikuto, killing several civilians.

In this case the Chinese craft flew so high that their number could not be ascertained. Japanese combat craft immediately took to the air at Chikuto, driving the raiders away.

Japanese Destroyer Sunk in Tatung Raid

Chinese aviation headquarters in Hankow announced that 15 Chinese bombers raided Tatung, near Wuhu, Feb. 19 at 10 o'clock, with the result that one Japanese destroyer was sunk.

Peiping to Get Japanese Textbooks

New textbooks will be used in various Peiping municipal and private middle and primary schools, *Reuters* reported from the Old Capital.

The new scholastic term opened Monday for most schools and while it has been the practice of many schools in the past to sell textbooks to their students immediately after registration for the new term, it appears that this precedent is not likely to be followed in the present year. Students who went to one school for registration Feb. 9 were told that new textbooks had not yet arrived and would not be ready for a couple of days.

In past years the Commercial Press and the Chung Hua Bookstore supplied most of the textbooks in use in secondary schools but it is reliably learned that the revised textbooks to be used in Peiping schools this semester are being printed in Dairen and Tokyo.

It is generally taken for granted that the new textbooks will eliminate all nationalistic ideas and stress the necessity of friendship between China, Japan and "Manchukuo" for the purpose of establishing lasting peace in the Far East. Whether they will be of the same tenor as those in use in "Manchukuo" schools is a subject of considerable speculation in Chinese circles.

Meanwhile, preparations are being made by the Ministry of Education of the Provisional Government for the establishment of an institute for the training of middle school teachers. The institute will be housed on the former premises of the department of physics of the National Normal University (Shihta). According to present plans the institute will open about the end of next month.

Japanese troops have already evacuated the premises of Shihta and negotiations are proceeding between the Ministry and the Japanese military authorities for the evacuation of their troops from other Government universities such as Tsing Hua and Peita.

China's Air Force Repels Japanese Invaders Over Hankow

The first major air fight over Hankow took place February 18 when 30 Chinese planes took to the air to attack 12 Japanese bombing planes and 30 Japanese pursuit planes that had invaded the interior to drop their missiles of death on the present center of China's defense activities.

A final check by the Chinese authorities on the results of the Japanese air-raids around Hankow showed that 12 Japanese airplanes, comprising 10 pursuit planes and two heavy bombers, were shot down and two Japanese pilots captured alive, *Reuter* reported from Hankow.

The Chinese losses were given as three machines destroyed, one damaged and two missing, with two Chinese pilots killed and one wounded. The missing planes, which are believed to have made forced landings in the countryside, were not located.

One of the two pilots killed was squadron leader Li Kwei-tang, a Chinese "ace."

Freshly-trained Chinese pilots partook in the air-raids, using new Soviet pursuit bi-planes, which went into action for the first time in China. The pilots expressed satisfaction with the new machines, declaring that they were far superior to the Russian pursuit monoplanes which they had hitherto used.

Spectacular Dogfights

Although not witnessed by the Hankow populace, foreigners stationed in outlying districts tell of spectacular dogfights between Chinese and Japanese planes, resulting in three of the raiders and one Chinese machine being shot down.

Just before the visitors appeared, 18 Chinese fighters rose at a tremendous pace into the air and disappeared into the clouds.

Japanese bombers then appeared, dropped their missiles—their objective was the Hankow airdrome—wheeled round and made off down river.

From Hankow could be heard the zooming of machines power-diving, but nothing was visible. A watcher at Chiaokow, eight miles up the Han River, west of Hankow, said that he saw Japanese fighting planes cruising around when suddenly the sky seemed to be filled with fast-moving machines, which swept down upon the Japanese like hawks.

The rattle of machine-gun fire was distinctly audible, besides the drone of engines. One Japanese machine dived down to avoid a Chinese attacker, but the latter, which was much faster, followed at a tremendous pace and caught the Japanese as he was turning upward again.

The Japanese plane immediately burst into flames, but continued its upward direction, leaving a trail of black smoke behind.

"He shot up like a Roman candle," said the watcher, "and after traveling a long way he nosedived and disappeared."

Meanwhile, five other Japanese planes, seeing that they were vastly outnumbered, attempted to get away, but the Chinese followed and sprayed them with machine-gun bullets.

China's Air Force Strengthened

Inquiries concerning the strength and composition of China's air force reveal that the Chinese Government is by no means relying exclusively upon Soviet Russia for the supply of aircraft and men.

Contracts have been signed with American interests for the establishment of an aircraft factory in China. This factory is expected to be in full operation at the end of 16 months.

Meanwhile, although present arrangements for the continued supply of machines and pilots from Russia are to stand, the Chinese Government is making large purchases of aircraft from Europe and America.

At present there are three groups in the Chinese air force. The largest group consists of the Soviet machines and pilots. These are concentrated as a self-contained unit under the leadership of a Soviet "ace" who saw service in the Spanish Civil War.

The second group comprises a small number of foreign volunteers, known as the "Foreign Legion," under the command of an American, Colonel Chenault.

This group of pilots is composed of several nationalities. There are Americans, Frenchmen, Canadians and Australians. Some of these men have been killed in action against the Japanese, and there have been several fatal accidents. There are not more than about dozen of them at the moment. Their squadron leader is another American by the name of Schmidt.

The third element in the Chinese air force consists of Chinese pilots who are learning to fly newly-purchased aircraft from Europe and America. Among these machines are the finest fighting planes at present produced in the world—pursuit aircraft bought from Great Britain and France.

New Russian pursuit planes (biplanes) are shortly arriving in China. These are expected to put up a better showing against the Japanese aircraft than the Soviet monoplanes hitherto used.

Japanese air raids on Hankow have, so far, encountered little real opposition.

The Chinese air force is at present being completely reorganized, and is not yet ready to undertake any large-scale operations. Chinese circles here speak with confidence of China's future plans in the air.

The time is not far distant, they state, when China will greatly extend the operations of her aircraft against the Japanese. The Chinese Government aims at maintaining the strength of its air force at 500 machines, half to be supplied by Soviet Russia and the other half by Europe and America.

Chungking Bombed for First Time

China's airforce "no longer can find refuge" from Japanese attack anywhere in China, an official communique issued by the Japanese China Sea Fleet Command claimed on Feb. 18, revealing the first attack on the Chungking military air field. Chungking, the provisional capital of the Chiang Kai-shek regime, is 1,350 miles up the Yangtze in Szechuen.

An undisclosed number of naval aircraft, the communique said, raided the Chungking military airdrome at 11 o'clock Friday morning, "inflicting considerable damage to more than 10 machines scattered about the field and upon adjoining barracks and important buildings."

All Japanese machines participating in this operation returned safely to their respective bases, according to the communique. Recalling the bombing of Lanchow in Kansu, the communique declared that "entire China now finds itself under the eagle wings of the Japanese naval airforce." Another Japanese squadron raided Chengchow, Honan, the communique added.

Ichang Bombed

Ichang, upper Yangtsze river port in south-western Hupeh, was raided by 9 Japanese airplanes Feb. 17. Several bombs were dropped before the raiders were driven off by anti-aircraft batteries.

Japanese Drop Pamphlets on Chungking

That the Japanese had the "kindliest intentions towards the people of Szechuen" was revealed in pamphlets dropped by Japanese aeroplanes during a raid on the military airfield in Chungking, Feb. 18. The pamphlets also described how happy those Chinese were who lived in the areas around Shanghai occupied by the Japanese. Photographs purporting to show the Chinese greeting Japanese troops in these areas illustrated the pamphlets.

Matsui Returns to Tokyo

General Iwani Matsui, the Japanese Army's "Little Napoleon," turned over his command to General Shunroku Hata this week. After six world-shaking months, General Matsui returned to Tokyo on Monday for a new assignment. He was scheduled to leave after the fall of Nanking, but the Panay, Ladybird and other incidents delayed the change in commands, it is believed.

His successor is an Inspector-General of Military education and a High Military Counsellor. Born in July, 1879, he was graduated from the Military Academy in 1901. He has been chief secretary to the General Staff; Commander of the 4th Field Artillery Brigade; Chief 4th Department General Staff Office and also filled the same office with the 1st Department. He was an Artillery Inspector, a Commander of the 14th Division in 1933 and Chief of the Army Air Service Department.

Also recalled to Tokyo were Lieut.-Gen. Prince Yasuhiro Asaka, Commander of the expeditionary forces; and Lieut.-Gen. Heisuke Yanagawa, Commander of the Hangchow Bay Landing Force.

400 Koreans to Join Japanese Army

For the first time in the annals of the Japanese Army, 400 Koreans will this year see action under Japanese colors, the War Office announced in Tokyo Feb. 19. The enlistment of Koreans will be made possible under an ordinance governing the assignment of volunteers for service at the front and with the First Reserve, to be promulgated on April 3.

Following their enlistment, the Korean volunteers will suffer from no discrimination whatever, the Army statement emphasized. "The new ordinance," the communique said, "provides the people of Korea with an opportunity to demonstrate the sincerity of their loyalty and patriotism, enhances the Empire's prestige, and deepens the Koreans' pride in being subjects of Japan."

American-Oriental Bank Again Pays Depositors

The American-Oriental Banking Corporation, in liquidation, is paying a fifth liquidation dividend, five per cent to depositors and other crediters of the Bank, commencing February 23. About 5,200 checks necessary for the payment of this dividend have been prepared, amounting to approximately $375,000 Chinese currency. All checks are drawn on The Chase Bank, corner of Nanking and Szechuen Roads.

Checks for depositors and other creditors of the Bank residing in the French Concession and the International Settlement, except north of Soochow Creek, will be mailed at the rate of approximately 500 per day until all checks are mailed. Checks for depositors and creditors residing at Tientsin, Peking, Tsingtao, Hongkong, Canton and foreign countries will be mailed during the current week. Checks for depositors and creditors residing or formerly residing in places in China other than those mentioned above, will be held at the offices of the Liquidator, 51 Canton Road, pending receipt of written instructions as to where delivery should be made.

Dr. George Sellett, Shanghai attorney and liquidator of the bank, who has been in the United States for several months, is returning to the Far East by clipper plane next week.

Japan Building Pocket Battle-Cruisers

Japan is building pocket battle cruisers suited for warfare against commerce on the high seas, according to the Naval Correspondent of the Sunday Times Feb. 20.

These ships, he says, will have a displacement of from 15,000 to 16,000 tons, will be armed with 12-inch guns and will have a speed of more than 30 knots.

Thus, the correspondent declares the cruisers will be more than a match for warships fast enough to engage them, and will be able to out-distance more powerful ships which could be brought against them.

The advant of these ships will create new problems in trade defense, he points, for convoys could not be protected against them unless escorted by capital ships.

The correspondent adds that the counterpart of such battle cruisers would be capital ships of more than 40,000 tons with 18-inch guns.

Japan Wants Big Navy

Exposed to attack from Soviet and British naval base in the Pacific and depending upon imports for her supplies of raw materials, Japan should have a navy greater than that of the United States.

This contention was voiced Feb. 20 by naval circles in Tokyo, in response to the widely reported claim of "Big Navy" advocates in the United States that the latter country must set a "two-navy standard as the goal of her shipbuilding program.

The American claim that equally powerful fleets were needed to protect the United States' Pacific and Atlantic coasts were countered by naval observers in Tokyo with an assertion that no enemy fleet could approach America sooner than she could transfer her navy from one ocean to another to meet the attack. Japan, the observers said, is today faced with a distinct threat from the growing Soviet Navy, with its base in Vladivostok, and the British naval forces, based on Hongkong and Singapore.

Supply of raw materials, they declared, is a matter of life and death for Japan, and she must maintain a navy powerful enough to protect her maritime "life lines."

Fire Brigade Issues Report on Most Difficult Year

The total number of lives lost in the three aerial bombings in the heart of Shanghai last August was 1,955, according to the annual report of the Shanghai Fire Brigade.

Injuries in these three incidents numbered 2,443. The bombings were those at the Palace and Cathay Hotels, the Great World Amusement Resort on Avenue Edward VII and the Sincere-Wing On incident.

Total lives lost in fires, bombings and special calls within the International Settlement during 1937 was 2.016. The fire mortality was 20 while those killed in accidents and falling shells was 41.

Persons injured during the year, including those hurt in the bombings was 104 at fires and 193 in accidents other than traffic and by falling shells. The total injured during 1937 was 2,740.

In comparison with 1936, the death toll in 1937 showed an increase of 1,965 civilians, while the increase in the number of injured was 2,570. These extraordinary increases, of course, were due to the bombings.

In his annual report, Captain J. Gordon Dyson, chief officer of the Shanghai Fire Brigade, states that there were 906 fires and special calls during the year, an increase of 120 in comparison with 1936.

From August 13, when hostilities started, to the early part of November, the Settlement was constantly exposed to a most serious menace from fire, undoubtedly the gravest in its hostory. Hundreds of outbreaks were caused in the Settlement by aerial bombardment and shelling and there existed at all times the possibility that fires would break out in such numbers in different districts and at the same time that it would be beyond the power of the brigade to control them. At various times the Settlement was seriously threatened by the huge fires which raged in the territory along its boundaries.

There were occasions when the entire resources of the brigade were practically exhausted, such as on the afternoon of the double bombings on August 14. The casualties in these two incidents was 1,740 killed and 1,873 wounded, according to the annual report.

The night of September 18 was another bad period when, within the short space of fours and four minutes, the brigade received no less than eight calls to extensive fires in the Eastern district which had been caused by aerial incendiary bombs. Still another hot session was on October 14 when air raids and anti-aircraft fire resulted in six calls and 13 emergency ambulance calls being received within the short space of the hour and 42 minutes.

Captain Dyson, however, takes considerable pleasure in reporting that, with the exception of a number of fires in the Wayside and Yangtszepoo Districts on and around August 19, 20 and 21, when constant shelling and fighting made it impossible for the brigade to function, and, in the early stages, some outbreaks in close proximity to the opposing front lines in the northern section of Hongkew, the brigade was able to attend and control every fire within the Settlement.

The total number of ambulance calls recorded during the year in both the Emergency and Hospital Removal Branches of the Service was 10,153, an increased of 1,807 on 1936. It should be pointed out, however, that this figure is considerably less than the total number of calls actually handled by Brigade ambulances, as one ambulance was attached to the temporary Isolation Hospitals after they evacuated from Hongkew, and during the Cholera epidemic this handled a large number of additional calls under the direct control of the Hospital authorities, of which no record was kept.

The Emergency Branch received 6,888 calls during the year —an increase of 933 calls, or 15.67% on 1936.

Movements in Official Circles

Dr. Chiang Ting-fu, Ambassador to Moscow, has arrived at Saigon, French Indo-China, en route to China, according to a cable received in Hongkong Feb. 17. Dr. Chiang is returning to submit a report on the work of the Embassy at Moscow to the Central authorities.

Dr. H. H. Kung, President of the Executive Yuan and concurrently Minister of Finance, returned to Hankow Feb. 15 by airplane from Hongkong after a week's absence.

General Li Tsung-jen, newly-appointed Chairman of the Anhwei Provincial Government Committee, was formally sworn into office Feb. 14. The oath was administered by Mr. Huang Chi-lu, member of the C.E.C., who is also Administrative Vice-Minister of Interior. The various members of the reorganized Provincial Government were sworn in office at the same time.

Mr. Chen Ti-cheng, Provincial Commissioner of Reconstruction for Kansu, arrived in Hankow Feb. 14 from Lanchow by airplane. He will confer with Mr. Chang Kia-ngau, new Minister of Communications, regarding the development of communications in Kansu province.

The Political Investigation Commission, specially despatched by the Shantung Provincial Government and headed by Mr. Lei Fa-chang, having completed its investigations in Shensi, has arrived at Chengchow, in northern Honan. The Commission will proceed to Hupeh and Hunan to continue its investigations.

The following Mandates were issued by the National Government Feb. 17. :—

His tenure of office having expired, Miao Pei-cheng is hereby relieved of his duties as Control Yuan Commissioner for the Anhwei-Kiangsi Area. Yang Liang-kung is hereby appointed Control Yuan Commissioner for the Anhwei-Kiangsi Area.

His tenure of office having expired, Fang Chiao-hui is hereby relieved of his duties as Control Yuan Commissioner for the Honan-Shantung Area. Li Tzu-tsung is hereby appointed Control Yuan Commissioner for the Honan-Shantung Area.

Li Pei-chi is hereby appointed a member of the Honan Provincial Government Committee.

Foreigners Have Close Shave in Honan

While carrying out relief work among destitute Chinese war refugees along the Yellow River, several American and Australian women missionaries, members of the Independent Gospel Boat Mission, narrowly escaped death when squadrons of Japanese planes bombed boats belonging to the mission anchored at the town of Tsaokangkou, according to reliable foreign reports received in Hankow from Kaifeng Feb. 17.

Miss Helen Bailey, of North Carolina, formerly connected with the Southern Presbyterian Mission, received five wounds from flying splinters, but nobody else was injured.

Immediately after the bombing of the boats, the same reports added, the Japanese aircraft machine-gunned Miss Balley's Chinese helpers as they fled to near-by trenches. No one, however, is said to have been hurt.

"Road to Mandalay" to Be Completed in Three Months

The motor road joining China and Burma is expected to be complete in three months, according to Chinese official circles in Chungking.

The main route followed will be a continuation of a road in Yunnan from Kunming to Tali. From there, the road will go via Likiang and westward across the gorges of the Salween and Mekong Rivers to Burma. The present caravan trail from Tali to Burma, which is a shorter route through difficult terrain, is also being improved.

It is interesting to note that this is the trail by which President Theodore Roosevelt entered China en route to Szechwan. He was on an expedition in which he killed one of the first specimens seen of the rare giant Panda, a bear-like creature peculiar to this part of China.

Police Promotions Precipitate Press Polemics

The recent promotions in the Shanghai Municipal Police of J. E. Fairburn, son of Assistant Commissioner W. E. Fairburn, and H. E. Aiers, son of Deputy Commissioner R. C. Aiers, have given rise to repercussions in Shanghai newspapers which will undoubtedly add to the worries of the staid city fathers.

The Shanghai *Mainichi*, largest of the three Japanese dailies in the Paradise on the Whangpoo, tossed the first bomb when it accused the S. M. P. of nepotism, asserting that the sons of two leading police officials had been given jobs and salaries which did not accord with their merits. Young Aiers, senior assistant of the S. M. P., was promoted chief assistant from January 1, and his salary increased from $750 to $1200 per month, the Japanese daily asserted. J. E. Fairburn was promoted from clerical assistant to assistant, and has served with the force only three years.

The time has come to realize, the paper wrote, that the Shanghai Municipal Council is not the East India Company, but a municipal administration set up by people of various nationalities residing in the Settlement. If the system of handing down jobs to one's sons is continued, it affirmed, the rights of the taxpayers will continue to be trampled under foot. The Nipponese pointed out that such rapid promotions will act as a deterrent to hard-working members of the police force, but thought that the best solution to the difficulty would be the addition of Japanese to the rapidly shrinking foreign police staff.

To the defense of the S.M.P. came the *North-China Daily News* which, on Feb. 15, wrote in a leading article:

"If the facts were as the Japanese journal suggests, the matter would indeed be a serious one, but investigations made by this journal indicate a very different state of affairs. Mr. Aiers is not a young man of 24; he is 29 years of age. He is not drawing a salary of $1,200, but only $750. It will take 15 years for him to reach the maximum of $1,200 a month. While Mr. Aiers may have been attached to the police for only a period of three years, he has seen much longer service with the Municipal Council, and the case as now presented is certainly not one of unprecedently rapid promotion within the short period between 1934 and now. Mr. Fairbairn, is younger, it is true, but he draws only $400 per mensem. The fathers of neither of these two men had anything to do with the promotion which they have received. Under the system which prevails in the Municipal Service, it would be impossible for them to do so. The young men would naturally in the course of their employment be the subject of reports from their superiors to the Staff Committee. That body would scrutinize all recommendations made, and in turn make their recommendations to the Council. The Japanese have representation on both the Staff Committee and the Council, and it was open to them on at least two occasions to oppose what it was proposed to do had there been any real ground for doing so. This journal has been unable to discover that at any time opposition, or protest was lodged by the Japanese representatives either on the Staff Committee or in the Council itself, and it is reasonable to assume that what was done was done perfectly openly, and with the knowledge of the representatives of all nationalities which go to constitute the Council. It is apparent that these suggestions of nepotism, or of any other kind of jiggery-pokery, must of necessity fall to the ground, as, in the circumstances, completely ridiculous and without any basis in fact. Furthermore it would be the complete negation of reasonableness to adopt the policy that because a young man had a parent in the municipal service, he should be debarred from employment therein."

With such a denial on the part of the leading British newspaper in Shanghai, one would have expected the matter to have been labeled just another Japanese attack on the Settlement Administration, but another angle came to light when the *Evening Post* interviewed members of the police force to gain their reaction to the promotions. The *Evening Post* concluded that the S.M.P, is playing into the hands of the Japanese because of its policy in connection with the foreign staff of the police force. The *Post* writes:

"The contention of men in the force is that there are any number of men both intellectually and educationally at least as well fitted for young Aiers' job as that man and furthermore they have had police experience. Not one of them would have refused the prospect of reaching the rank of Chief Assistant within four years and the chance of regular office hours without night duty and the necessity of patrolling streets.

"The statement that a sergeant after the same number of years with the force as Fairbairn would be receiving more than his $400 a month is incorrect. A probationary sergeant gets $225 on joining. After three years he can become a sergeant on qualification, then obtaining $300 per month and an annual increment of $7 so that after four years a uniform man would be receiving $307 and quarters.

"To rise to a higher rank, he would have to be with the force at least six years, including seniority for exceptionally good work, to take the sub-inspector's exam. If he passed, he would still have to wait for promotion until an opening offered itself. Some men who passed in 1934 are today still waiting for their appointment and increased pay. Fairbairn, after four years draws $400 a month. If his rise is as rapid as that of young Aiers, he should be obtaining $750 at the end of the year, a salary which uniformed men could hope for only in some 15 or 20 years.

"A uniform man joining the force 11 years ago (and Aiers was not with the Police until four years ago) even with rapid promotion would today only be a sub-inspector at a salary of $391 and free quarters which are assessed at $80 although frequently worth far less. Thus if a uniform man had been kept in Mr. Aiers' post, he would today be doing the same duties and be costing the taxpayer almost $300 less per month.

"It is stated that Mr. Aiers can attain a salary of $1200 only after 15 years. This is misleading, it is claimed, since if the young man is appointed Assistant Commissioner at the end of this year, he will at once exceed this $1200 mark.

"Mr. Aiers has in four years gone through four ranks, a uniformed man of phenominal ability would take at least 17 years, the least number of years required by any Superintendent in recent years.

"The contention of members of the force, in brief, is that they should have been given the opportunity to apply for the clerical posts now proving so remunerative, that appointment should have been made after examination, that there was no necessity for bringing in inexperienced outside men when men of greater education and experience were available within the force.

"That something is wrong with the force, the men claim, is proven by the high number of resignations within recent years, the force having lost about 150 men in the last three years through resignation, retirement and other causes.

"In other countries, England particularly, policemen have the opportunity to appeal if they feel an injustice is being done, there being a special police federation for this purpose. In Shanghai the men must rely on the fairness of their superior officers."

Powers Oppose Changes in S. M. C.

"The British, French and American authorities have agreed to support the Shanghai Municipal Council in opposing Japanese attempts to interfere with its functions or to alter the character of the administration," declared Lord Plymouth, Under-Secretary of State for Foreign Affairs, in the first Parliamentary debate hitherto devoted exclusively to the present situation in China in the House of Lords Feb. 15.

There was some force, he said, in some of the Japanese contentions, and there was a large measure of agreement that their representation on the administration was hardly commensurate with their numbers and interests. That matter was under consideration; but the Japanese claim for increased representation on the Council itself was quite a different matter. The Council was an international body and not under the control of any particular government.

Lord Plymouth said that the restrictions under which some areas in Shanghai were being re-opened were extremely burdensome. The Government was doing its utmost to have them removed at the earliest possible date.

Dealing, with the administration of the Chinese Maritime Customs, the Foreign Under-Secretary declared that the Government was working in the closest consultation with France and America. No remittances had yet been made from the customs revenues deposited in the Yokohama Specie Bank in Tientsin to meet the services of foreign loans, and he understood that no remittance was likely to be made until the position of the Customs in Shanghai had been cleared up.

The position, Lord Plymouth stated, was undoubtedly very difficult and anxious, but so far the integrity of the actual Customs administration had been maintained.

Recent Japanese statements in Shanghai that they would not respect foreign obligations secured on the Customs were very disturbing. The Japanese had no right whatsoever to disregard the interests of foreign countries in these revenues.

Fifth Head Found in French Concession

Another unidentified Chinese head was found in the French Concession Feb. 19, bringing the total for the past two weeks to the rather impressive figure of five.

The severed head which appeared to have belonged to a youth of slightly over 20, was first seen by a pedestrian in front of passage 304, Rue Bourgeat, near the rear entrance of the Convent of Sacred Heart. The pedestrian immediately reported to a nearby policeman. The head was found on the pavement, but the usual note announcing why the deceased had met his death was not discovered.

Although the fifth head in two weeks, it was the first in a week, a fact probably due in large measure to the strengthening of French police patrols throughout the Concession.

Suetsugu Attacked as Leader of "Japanese Fascists"

Fisticuffs, culminating in uproar and adjournment, enlivened the proceedings in the Lower House on Feb. 19 giving evidence of tension and aggravating friction between the Government and the political parties and between members advocating and members opposing the movement of merging the political parties into a psuedo-fascist National Unity Party.

At the Nationalisation of Electric Power Committee session in the morning, a Social Mass Party member alleged that the Electric Power industrialists had bribed certain political party leaders to frustrate nationalisation.

A hot dispute ensued, culminating in fisticuffs. The meeting adjourned in confusion.

In the afternoon, the Lower House militantly refused to open session until 4.40 o'clock, demanding that the Home Minister, Admiral Suetsugu, be present to explain the Government's attitude towards Thursday afternoon's anti-communist raids on the Minseito and Seiyukai Parties' headquarters.

Party leaders, in strong terms, demanded that the Home Minister assume responsibility.

Admiral Suetsugu's expression of regret and declaration that the incident was still under investigation caused an uproar of dissatisfaction.

The House of Representatives went into recess in the confusion. It reassembled later but was immediately adjourned.

Admiral Nobumasa Suetsugu, was accused in the Lower House of being the "leader of the Japanese Fascist movement," *Domei* reported.

The charge, made by representatives of the Minseito and the Seiyukai, Japan's strongest parties, were withdrawn after Admiral Suetsugu's explanations.

The sensational attack on the Minister came as the sequel to an attempted "sit-down strike" staged by 300 uniformed Rightists in front of the two parties' headquarters on Thursday afternoon.

Defending himself, Admiral Suetsugu said that he at first thought the near-riots were the two parties' "internal squabble," but, later, at the request of party leaders, ordered the demonstrants to withdraw.

Those who refused to obey his orders, the Home Minister said, were arrested by the police.

Admiral Suetsugu assured the embittered interpellators that he would do his best to prevent the recurrence of "such an unfortunate affair."

By noon Feb. 19 the police had under arrest more than 400 men, of whom about 250 belonged to the Anti-Comintern National Defense Society, established on January 15.

Divided into two groups, members of the reactionary organization presented themselves in trucks before the headquarters of the two parties on Thursday afternoon and demanded interviews with Minseito and Seiyukai leaders.

The aim of the interviews, leaders of the bands later told the police, was to secure the voluntary disbandment of the two parties and the creation of a new national anti-Communist organization.

When the request for interviews was rejected, the men unloaded bedding and food from the trucks and prepared for a long siege. Police action was necessary to disperse the demonstrants a few hours later.

Permanent Garrisons in China

The measures for the reorganization of the Japanese forces on the various fronts in China, which had been announced by the Imperial Headquarters, are, in the view of political quarters in Tokyo, connected with the plan to station a number of permanent garrisons in the occupied territories of China.

The Japanese units stationed in China now, it is declared, will be partially relieved and replaced by other troops because permanent garrisons are to be established in North China as well as in the Shanghai-Nanking area.

New Planning Body Set Up in Japan

Through the merger of the Central Economic Council and the Society for the Investigation of Resources, a Planning Council was established in Tokyo Feb. 20 under the presidency of Premier Prince Ayamaro Konoye.

The new organ will cooperate with the Cabinet's powerful Planning Board in studying measures to offset the possible effects of the current hostilities on the nation's economy.

Soldiers to Get Aid in Finding Jobs

Japanese soldiers returning from service in China will be aided by 200 State employment agencies in finding new jobs, under the terms of a measure drafted Feb. 19 by the Ministry of Public Welfare. Late this month, the Ministry will ask the Diet to appropriate Yen 6,000,000 for soldiers' relief. Soldiers will also get assistance from Prefectural Governments, regimental authorities and industrial associations.

Japan Trade Shows Adverse Balance

Japan's trade in the second ten-day period of this month resulted in an adverse balance of Yen 5,102,000, the Finance Ministry announced Feb. 20. Imports for the ten days totalled Yen 63,643,000, while exports reached Yen 58,541,000. The total unfavorable balance since Jan. 1 now stands at Yen 43,981,000.

The total area occupied in North China by the Japanese is 260,000 square miles, or territory little smaller than Japan itself, says an official communique issued in Tokyo Feb. 19. The statement claims that 27,000 square miles of Central China are under Japanese control.

Emperor, Empress To Leave Tokyo

Emperor Hirohito and Empress Nagako will leave here tomorrow for their villa at Hayama, where they will remain "for some time," it was officially announced in Tokyo Feb. 18.

The Emperor's health has been completely restored after the recent indisposition, but he has decided to take rest on the advice tendered by Princes Kotohito Kan-in and Hiroyasu Fushimi, respectively heads of the Army and Navy General Staffs, and Prince Ayamaro Konoye, the Premier.

Tickets for 1940 Fair to Go on Sale March 15

Admission tickets to the Tokyo 1940 World Fair, commemorating the 2,600th anniversary of the founding of the Japanese Empire, will go on sale throughout Japan on March 15, it was announced in Tokyo Feb. 17. The funds thus secured will be used for the construction of pavilions which will house the exhibits. Invitations to foreign nations to participate in the Tokyo Fair will be issued by the Tokyo "City Fathers" soon.

Assistant Military Attache Relieved of Post

Major Hiroyuki Yoshino, assistant military attache to the Japanese Embassy in China, was relieved of his post Feb. 18.

Political Demonstrations to Be Banned in Tokyo

Stringent measures to prevent political sit-down demonstrations will be taken by the police, Admiral Nobumasa Suetsugu, Minister of the Interior, assured the Diet Feb. 18.

This statement followed a series of sharp interpellations regarding the attempted storming of the headquarters of Japan's two major political parties by khaki-clad members of the anti-Comintern League. Seeking the understanding of party leaders, Admiral Suetsugu revealed that 130 participants in the abortive miniature "March on Rome" were being questioned at police headquarters with a view to ascertaining their motives hand possible instigators.

Military Budget Bill Submitted to Throne

Finance Minister Okinori Kaya Feb. 17 submitted to Emperor Hirohito the extraordinary military budget bill in connection with the China incident, following interdepartmental consultations between the War Office, Navy Office and the Finance Ministry.

The bill, which is expected to be given to the Diet early next week, provides for appropriations totalling Yen 4,850,000,000; of this sum the Army is to receive Yen 3,250,000,000, the Navy Yen 1,050,000,000, while Yen 550,000,000 is to be held in a reserve fund. It provides for estimated extraordinary expenditures to cover the 12-month period from April 1 to March 31, 1939.

Expenditures in the military budget will be covered mainly by bond issues amounting to Yen 4,400,000,000. It is estimated that Japan's expenditures in connection with the China hostilities will amount to Yen 7,400,000,000 by March 31 next year, with Yen 2,560,000,000 spendable by March 31 of this year since the start of hostilities.

Issues of Government bonds in the next finnacial year will total Yen 5,700,000,000, including Yen 4,400,000,000 to cover the deficit of the extraordinary military budget, and Yen 800,000,000 in the ordinary budget.

Contributing to the revenues to cover the military expenditures will be increased taxation amounting to Yen 290,000,000, an increase of Yen 10,000,000 in the tobacco monopoly bureau's profit from higher tobacco prices, Yen 90,000,000 from special accounts, and an increase of Yen 10,000,000 in taxation in outlying territories.

Confiscation of Chinese Leaders' Property Urged

Confiscation of all property of Chinese Nationalist leaders to defray partly the cost of maintaining Japanese troops in China was urged in a resolution received Feb. 16 by Gen. Gen Sugiyama, War Minister, from the Chinese Association in Keelung, Formosa.

The resolution alss urged the Japanese Army to "chastise thoroughly Gen. Chiang Kai-shek)and his assistants."

"China must depend on Japan for the maintenance of peace and order, and for this purpose Japan will be called upon to station troops in China for a long time to come," the resolution declared. A part of the funds required for the purpose, the resolution said, must be defrayed through the confiscation of property owned by Nationalist leaders in areas under Japanese military occupation.

New Mail Service from London to Far East

The inauguration was announced by the London Post Office Feb. 20 of the despatch of all first-class mail, by air, to the Near and Far East at 3d. a half ounce for letters and a penny for postcards.

The Post Office states that there will be five postal services weekly to Egypt, four to Calcutta and two to Malaya. Letters posted early in the week should be delivered in Alexandria in about three or four days, in Calcutta in about a week and in Singapore in about ten days. Air parcel services to Bahrein, Burma, Ceylon, Egypt and India have been discontinued.

Szechuan Struggles With Political, Economic Problems in Effort to Organize Effective Resistance

BY HIN WONG

THE delay of the central authorities in announcing the reorganization of the provincial government for Szechuen as necessitated by the recent death of General Liu Hsiang, chairman and concurrently pacification commissioner, has aroused no little apprehension outside, it appears, while everything has been peaceful thus far, in Chengtu and Chungking.

General Chang Chun, vice-president of the Executive Yuan and chairman-designate of the Provincial Government Council of Szechuen, is still in Hankow and it is unlikely that he would proceed to Chengtu to assume his new duty until the formal announcement of other members. In the meantime, General Hoh Kuo-kwang, deputy in charge of the Chungking Office of the Military Affairs Commission; Mr. Lu Tso-fu, vice-minister of Communications, a leading industrialist of Szechuen; and Mr. Liu Hang-hsin, commissioner of Szechuen Finance; and others have been conferring with political and military leaders in Chengtu so that the central authorities and General Chang may be acquainted with the hopes and aspirations of those having the interest of the province at heart.

"THANK GOD FOR THE PRIVILEGE"

The Rt. Rev. L. H. Roots, D. D., Bishop of the Hankow District, one of the chief speakers on Women's Day, Feb. 6. The address was delivered at St. Paul's Cathedral. In the course of his address Bishop Roots declared, "Thank God for the privilege of living in China at this time." The meetings and parades in Hankow coincided with the international conference held in London.

With a military escort designated only for a general of the first grade and a procession royal and Chinese, semi-religious in character, the remains of the late General Liu Hsiang, chairman of Szechuen Government Council and tranquillization officer for Szechuen and Sikang, who died in Hankow January 20, was received back in Chungking, Februray 4, when it will begin to lie in state in the auditorium of the General Chamber of Commerce until the 8th, so that the government, the military, the local organizations, and the general public may pay their respect and offer tribute and sacrifice.

Early in the morning, General Ku Tsu-tung, officer in charge of the Chungking office of the Military Affairs Commission, boarded the steamer in mid-stream and personally attended to the transfer of the remains to a specially prepared lighter and upon landing at Chaotienmen Wharf, it was received by General Lui Chao, adjutant-general to the National Chairman, Mrs. Liu, widow of the late provincial governor, and representatives of the principal government and public organizations of Chungking who, all later on, joined in the procession to the General Chamber of Commerce.

The ceremony in connection with the return of the remains of the late general to Szechuen that day, Feb. 4, was in three parts. The receiving, the transfer and escort, and the final placing of it in state were severally attended to with due military honor and in accordance with certain Chinese rituals, civil and religious, in which priests and mourners participate.

Women and Children Leave Chungking

More than one-fifth of the women, children, and aged in Chungking, the seat of the National Government of the Republic during the present national crisis, has moved out to nearby towns and villages, following the advice of government authorities seeking for maximum safety for the people under present circumstances. Local officials in Chiangpeh, Pahsien, Changshou, Yungchwan, Hochwan, Kiangtsin, Kikiang, and other districts have been instructed by the provincial authorities to offer special protection to those moving into their midst.

Despite the rapid arrival of refugees in Szechuen from the lower Yangtze ports, with Chungking as a transhipment point, the local population has not increased much and by the end of January, there were only 110,954 households with 277,463 male and 201,971 female members, an increase of but 828 households and 5,503 persons over previous month.

The many new arrivals have been off-set by the large number of departures and the frequent change of tenants has afforded some unscrupulous landlords an opportunity to over-charge. Now the municipal authorities have ruled that the landlords should not demand more than 13% from their investments and the increase in rentals should not be more than 20% higher than the general average rate for 1937.

This influx of persons has not added to the prosperity of Chungking, however, from the commercial point of view. Since the spring festival holidays, a number of general provision shops have been unable to reopen and this has caused unemployment to more than 2,000 shop assistants.

West China Seeks Efficiency

Efficiency means more than anything else these days, especially in areas behind China's "life-line" like Szechuen and other provinces in west China, and people now no longer simply shout slogans without any thought of their being followed by action. Households and business firms in Chengtu, Chungking, and other cities, while still liking to post scrolls and cross-signs on entrances and walls, prefer practical suggestions rather than an empty hope for luck as in the past, and during the spring festival some of the inscriptions included such as "A Son of Han never would become a traitor" and "Whosoever calls himself a patriot, let him offer his service at the recruiting office."

Young men and women university students these days do not always go home to spend their winter vacation and most of them would take this time off to be spent touring the smaller villages and towns to inform the rural community of the progress of the Sino-Japanese War and transmit to the mass the kind of co-operation the National Government most desired from the general public.

Farmers are being urged to do everything possible to produce more, by-products as well as regular crops, to fill their granaries and consult local officials for assistance for more storage of foodstuffs. People are asked to raise at least one-third more than during the previous season, while modern irrigation processes are to be introduced by experts from government organizations. In the meantime, the people are told that the Government would try to provide more lands to the needy for foarming purpses so as to increase the producing power of the farmers *per capita*.

One of the first signs of co-operation between the government and the people following the recent, informal agreement to join hands in the long-resistance policy against the invaders is the order by the central army command to the local authorities in Szechuen to return all arms, borrowed some time ago, to the town and county governments in order that the volunteers and militia now being organized may be better armed.

Szechuen is now dividing its territory into 18 military districts for the training and maintenance of able-body men subject to call to the colors. As previously reported, Szechuen has more than 8,000,000 men capable of bearing arms.

Communication Facilities Increased

To communicate with the interior now-a-days is not so difficult as in the past; and with Yunchwan township as a centre, all districts within the 3rd administrative circuit of Szechuen are

to be connected by a network of long-distance telephones. Chungking, the principal port in Szechuen up the Yangtze River, will have its telephone system changed to automatic, and the numbers will be increased to 3,000.

The higher authorities in Szechuen, including the Chungking office of the Military Affairs Commission of the National Government, are ordering early improvement of the motor-roads from Szechuen to the provinces of Shensi, Hunan, and Kweichow. All the improvements are to be completed by the end of March or early April, including five stone bridges on the Szechuen-Hunan and three, along the Szechuen-Kweichow Public Highway. The central government is allotting $400,000 as its share of the public works improvement fund.

Eurasia planes now operating an airline from Sian to Canton via Hankow will soon make regular calls at Chungking to relieve the congestion on the Chungking-Hankow, Chungking-Hongkong, and other lines conducted by the China National Aviation Corportaion. Air travel is popular these days, inview of the lack of other rapid means of communication and those taking the air now have to submit photographs for identification before being issued tickets for their destination. Some of the bus lines out of Chungking are being reduced in schedule so as to save gasoline.

While travel is noticeable in and about Chungking, the actual increase of population has not been great here, and in the first 10 days of January, the population of the city was increased only by 227 households with 227 male and 299 female members; and for the next 10 days, January 11 to 20, the increase in population was but 900.

Since the beginning of the year, the Directorate-General of Posts of the Ministry of Communications has been functioning in Chungking, making now a total of more than 25 major central overnment organizations having their headquarters here.

A modern public highway from Szechuen to Sinkiang Province starting here from Chungking has been ordered by the authorities and a surveying party will soon be on its way. West China is seeking a better way out to the world through both Tibet and Sinkiang than accorded by the present foot-paths. While the immediate move is a military measure, it will certainly become commercially valuable in the long run. For a time, even through caravans by way of Kangting in Sikang, the Szechuan-Tibet trade reached more than $10,000,000, mostly of forest products. The resources of Sinkiang are still practically untouched. Lately, Szechuen exports of forest products, such as tung oil, have reached only $20,000,000, because of the non-advancement of the agricultural industry in the interior. With the expected development of Sinkiang through an improvement in communications, both Sinkiang and Szechuen would be benefitted.

WOMEN'S GUARD FOR GENERALISSIMO'S PICTURE

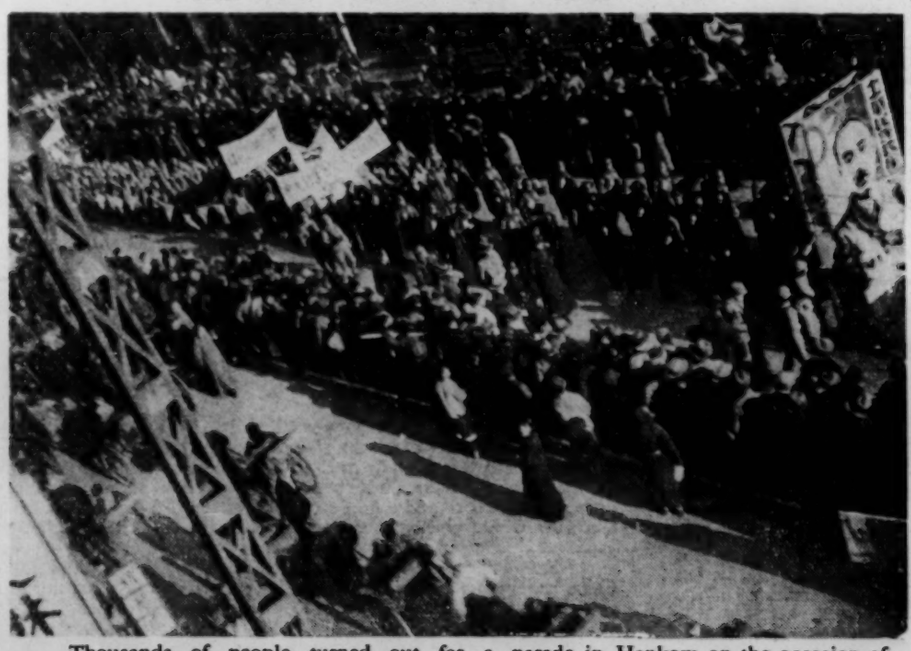
Chinese women in military uniform guarding the entrance of the Chinese Chamber of Commerce in Hankow where the ceremonies connected with Women's Day were held. The banner over the portrait of Gen. Chiang Kai-shek referred to Women's Day and the Anti-aggression movement. The Hankow meetings and parades constituted Nationalist China's participation in the international conference on non-aggression which was held in London.

Since the Sino-Japanese conflict, means of communications along the Yangtze River have been fully taxed; and more than 30 small factories on the lower Yangtze looking to move further up have not been able to find accommodations on the shipping lines. The local shippers have heard that the Government may convert the gunboats "Tung Hsin" and "Tung Teh" into transports so as to relieve the present freight congestion.

Relief is also being sought for paper dealers and a $400,000 corporation has been under process of organization for some time to establish a mill for newsprint either in Kiating or Kiangtsin, where plenty of bamboo, hemp, wood pulp, and other materials my be found. In Chungking alone, there are eight daily newspapers suffering from a paper famine and they are being issued in one-third or one-half of their original size.

Chungking, Feb. 9, 1938.

HANKOW PARADE FOR WOMEN'S DAY



Thousands of people turned out for a parade in Hankow on the occasion of Women's Day, Feb. 6. Note large portrait of Gen. Chiang Kai-shek carried at the head of the procession. The parade was a part of the observance of "Non-Aggression Week," and conicided with the international conference devoted to the same subject held in London.

Japanese Rename Road in Kiangwan Area

All the roads and lanes leading from the Civic Center in the Kiangwan area and from the Yangtszepoo district have been rechristened by the Japanese authorities, "in line with the changed postbellum situation," local Japanese newspapers said Feb. 17.

The new names of the streets include the following:

Gen. Nogi, Admiral Togo, Vice-Admiral Hasegawa, Gen. Matsui, Prince Konoye, and others. Some of them are names of towns in Japan.

Chimei Road henceforth will be known as Matsui Road in honor of the Commander-in-Chief of the Japanese Expeditionary Force in Central China, Chungkung Road will be called Kogun (Imperial Army) Road.

Germany to Recognize "Manchukuo"; Hitler Demands Unification of German Peoples

Events in Europe this week were startling, and symptomatic of the general trend in international relations since the rise of dictatorships. As Herr Hitler served notice, in a speech to the Reichstag, that the time had come for the Reich to take control of the German minorities living outside her borders (thus threatening Austria, Czechoslovakia and Rumania), the one country which could have opposed this "Drang Nach Osten" was torn by a Cabinet crisis, which arose from the differences in viewpoint of Neville Chamberlain and Anthony Eden regarding Britain's foreign policy.

The unification of national forces under a leader, and the divisions of democratic countries in time of stress, were never more clearly demonstrated than when the British Cabinet split just when Herr Hitler had succeeded in forcing concessions from Austria and was preparing to announce that a victory for the Spanish Republicans, the division of German peoples, or the expansion of Communism were "fighting" matters.

SHARPENING HIS TEETH

Die Stunde Vienna

British Lion: "You just wait till my new teeth are ready."

Recognition of Manchukuo Announced by Herr Hitler

In a memontous speech to the Reichstag delivered shortly after noon on Feb. 20 Herr Adolf Hitler announced the German recognition of Manchukuo.

Germany, he stated, will never return to the League of Nations.

"As much as we assure the world of our love of peace, just so strongly do we declare to the world that such love does not include any renunciation. If international agitators and poisoners wish to break the internal cohesion of the German people, a tempest of steel and iron shall fall upon them."

"When the British press says that our attitude in the conflict in the Orient goes against the interests of the white race, I can only smile. It is a joke to see it affirmed that the National Socialist state goes against its racial duty. Germany had possessions in Asia out of which she was driven."

Turning to the Orient, he declared, "I believe that the defeat of Japan in the Far East would bring no advantage to any European people except to the U.S.S.R. I believe that the greatest Japanese victory will be much less a danger to world culture than a Bolshevist vistory.

"I may say this because we have always maintained friendly relations with China, and we have always been really neutral in the Sino-Japanese conflict. We do not doubt that the greatest Japanese victory would be a menace to the culture of the white people, but a Bolshevist victory would mean the end of the culture of the white race.

Millions of Germans, in their own country as well as in Austria and Czechoslovakia, listened in to the Fuehrer's speech.

Herr Hitler said that Germany and Italy had the same goal in the Spanish conflict.

Germany had no territorial interests in Spain, but would regard Bolshevism in power in Spain as a disturbance of the European equilibrium, in which Germany would not be disinterested.

"Germany," the Chancellor stated, "has no more territorial claims against France since the return of the Saar, and has no differences with Great Britain—with the exception of the Colonial question."

Referring to Austria, Herr Hitler said that one thing beyond doubt was that her general right of self-determination could not be disregarded.

"An unbearable situation," he declared, "might have led to a serious catastrophe. I hope the Austrian Chancellor is of my opinion. I want to thank him for it.

Speaking of the reports that had recurred again and again of late that Germany was about to revise her views and possibly to return to the League of Nations, the Chancellor recalled how frequently the League as an institution had failed. The League of Nations, the Fuehrer stated, was an institution to maintain a condition arising from 1,000 years of injustice. Germany was not in the League because she believed that the League was not an institution for the maintenance of right but merely an installation for the defence of the injustice of the treaty of Versailles. He went on to give five reasons why Germany would not return to Geneva or be a member of an international body that refused to see indisputable facts and whose habits resembled those of a certain well-known large bird.

Anthony Eden Resigns

Meanwhile, in London, Anthony Eden, Great Britain's 40-year-old Foreign Secretary, resigned from the Cabinet, it was officially announced Dec. 20. His resignation was accepted. Lord Cranbourne, Under-Secretary of State for Foreign Affairs, also resigned.

Foreign diplomatic observers generally agree that the reason for Mr. Eden's resignation is a divergence of opinion between himself and the Prime Minister concerning the method and date of approach by Great Britain to Italy.

Mr. Chamberlain is credited with the view that it is desirable that the Anglo-Italian talks begin immediately, while Mr. Eden is stated to have held the opinion that the settlement of the Spanish problem should precede such an approach to Italy.

In his letter of resignation to the Prime Minister, Mr. Eden stated, "I cannot recommend to Parliament a policy with which I am not in agreement. Apart from this, I have become increasingly conscious, as I know you have also, of the difference in outlook between us in respect to the international problems of the day and also in regard to the method by which we should seek to resolve them.

"It cannot be in this country's interest that those who are called on to direct its affairs should work in uneasy partnership.

"Fully conscious of the differences in outlook, yet hoping that they will not recur, this applies with special force to the relationship between a Premier and a Foreign Secretary."

Chinese Circles Worried

Chinese circles in Hankow both official and otherwise, are perturbed over the developments in the European situation and believe that they will have far-reaching consequences in the Far East.

The announcement by Herr Hitler of Germany's decision to recognize "Manchukuo" and the resignation of Mr. Anthony Eden have evoked an atmosphere of gloom in Hankow. Chinese Government and public circles openly denounce Herr Hitler's decision, but hesitate to comment on Mr. Eden's resignation.

Although he has not favored drastic action in the Far East. Mr. Eden, it is stated in Hankow, has always refused to recognize territory acquired by force. It is felt that China would be adversely affected if the new policy of the British Government should favor conciliation with Germany, Italy and Japan.

The Chinese press gave prominence to the Fuehrer's speech, and unanimously denounced Herr Hitler for "repudiating promises made five years ago and for making the absurd claim that Japan's slaughter of Chinese civilians and raping of Chinese women is making for peace in the Far East."

The *Ta Kung Pao*, an influential daily, says: "Herr Hitler's decision does not represent the true attitude of the German people, who have been very friendly to China, but only represents the policy of the Nazis." Herr Hitler's announcement, it adds, removed once and for all the false hopes among certain Chinese circles that Germany would eventually succeed in her mediation in the Sino-Japanese conflict.

Herr Hitler's declaration, says the *Ta Kung Pao*, decides for China her foreign policy, which will henceforth be open and active participation against the Fascist group. The newspaper adds: "Germany's action in forsaking China's friendship and justice at this hour will never be forgotten by the Chinese."

What About the German Advisers?

The strong action taken by Herr Hitler in recognizing Manchukuo and supporting Japan in her "holy war" in China,

followed by the reaction of disgust in Chinese circles has raised the problem of German military advisers who have supported General Chiang Kai-shek throughout the vicissitudes of the Sino-Japanese conflict despite numerous rumours that they were to be withdrawn, as the Italian advisers had been withdrawn.

Evidently rumours to this effect had been creeping through Hankow circles for some time, because on February 2 a spokesman of the National Government in Hankow responded to those rumours through *Kuo Min* news agency, stating, "The Chinese Government has complete confidence in its German military advisers, and is highly satisfied with their services. In view of the traditional friendly relations between China and Germany, the Chinese Government feels highly satisfied with the zeal and devotion to duty of its German military advisers."

Further evidence of the shock to which Hankow has been subjected by Hitler's announcement is found in a statement issued by a Chinese spokesman the day before the speech to the Reichstag, in which the possibility of such action was scouted. Declared the spokesman, "The Chinese people cannot believe that any nation upholding justice and righteousness will recognize such a puppet regime. Since the outbreak of the present Sino-Japanese hostilities both the German Government and the German people have been sympathetic towards the Chinese cause, for which the Chinese Government and the people are deeply grateful."

Tokyo Pleased

The German Charge d'Affaires officially informed the Manchukuo Legation in Tokyo of Germany's intention to recognize Manchukuo at 1.10 on the morning of Feb. 21. The news was very welcome in Japan.

Declaring that Herr Hitler's speech was greatly appreciated through Japan, the spokesman of the Foreign Office pointed out that as a result of the recent "shake-up," Nazi control of Germany had become definite and decisive.

"From the Fuehrer's statements," the spokesman added, "we now know Germany's immutable Far Eastern policy. Herr Hitler's announcement on the subject will serve as an important lesson to the Hankow Government leaders, who have seriously mistaken their fundamental policy towards Japan and who continue to commit various blunders in applying their policy."

Germany's formal recognition of the Manchukuo Empire, the spokesman declared, gave evidence that Germany clearly understood the spirit underlying the foundation of Manchukuo. Germany's recognition, he continued, would be a source of profound inspiration to the 30,000,000 inhabitants of the Manchukuo Empire, and a source of sincere appreciation in Japan.

Shanghai Chinese Bitterly Condemn Recognition of Manchukuo

In Shanghai, the United Association of Chinese Civic and Cultural Associations issued a manifesto bitterly condemning Hitler's action. They declared:

"It is with the deepest resentment and indignation that we, the Chinese people of Shanghai, receive Hilter's announcement of Germany's recognition of the puppet government of 'Manchukuo.' Masquerading under the sheep's skin of friendship the Nazi wolf has been treacherously trying to hold the confidence of the Chinese Government and the Chinese people only to be able to sell this faith like merchandise in a bargain with the rulers of Japan. The sheepskin of pretense is thrown aside at last. The Nazis have chosen a friend in their own image: the lupine face of Japanese Imperialism, menace to all culture, east or west.

"Coming in the midst of a mortal struggle for life against our deadly enemy, rapacious Japan, Hitler's recognition of 'Manchukuo,' in violation of the solemn pledge of the German nation of five years ago, can only be regarded as a cowardly and despicable stab in our backs—and a betrayal of every fine principle of Nordic chivalry. But while this may be quite characteristic of the Nazi strategy and tactics, we refuse to believe that it represents the true attitude and spirit of the best German people, particularly those German people long resident in this country. Moreover, we believe that this move by Hitler and his cohorts, while gravely significant in itself, is also a sinister warning to European civilization —a smoke screen behind which the Nazis design and intrigue to swallow Spain, Austria and the Balkans. By this move Hitler has brought mankind to the brink of an abyss of monstrous world war. Adding insult to injury Hitler has the audacity to say that China is mentally and materially "too weak to resist the Bolshevist attack."

GOVERNMENTS WHILE YOU WAIT

Fitzpatrick in the St. Louis Post Dispatch

In reply we remind him that despite his treacherous Nazi maneuvers for a dictated "peace" in favor of Japan, the Chinese Government and people are still fighting on. This is the answer of Chinese mentality and attests to the mental competence with which, no matter how long it takes, we will eventually destroy our enemies.

"To assert that lawless and rapacious Japanese Militarism is a stabilizing force in the Far East, to say that "there is no doubt that even the greatest Japanese victory would not endanger in the slightest the culture of white races" is enough to strip before the eyes of the world the warped Nazi mentality which offers to mankind a menace no less grave than the contagious germs of disease and death.

"We people of China will meet this grevious Nazi injury and insult with appropriate and energetic measures and we demand that our Government do likewise. German 'recognition' will do no more to make a reality of the phantom 'Manchukuo' empire to the rebellious Chinese there than has the futile window-dressing of Japan herself. Once more we reaffirm our immutable stand that under no circumstances will we consent to the forcible detachment of Manchuria from the administrative and territorial integrity of China. With this latest move on the part of Nazi Germany, we shall redouble our determined efforts to recover all our lost territories from our enemy. And despite this utterly unprincipled betrayal by Nazi 'diplomacy' our faith in our final victory remains absolutely unshaken."

CHINESE PRISONERS ON THE WAY TO A "MASS-EXECUTION"

(Note how prisoners are roped together in such a manner as to prevent escape).

The above picture, reproduced from *The Chicago Tribune*, shows Chinese soldiers being marched to the execution ground. Tillman Durdin, writing in the *New York Times* from Nanking, describing a scene such as the above said, "Mass executions of war prisoners added to the horrors the Japanese brought to Nanking. After killing the Chinese soldiers who threw down their arms and surrendered, the Japanese combed the city for men in civilian garb who were suspected of being former soldiers. In one building in the refugee zone 400 men were seized. They were marched off, tied in batches of fifty, between lines of riflemen and machine-gunners to the execution ground. . . . The writer watched the execution of 200 men on the Nanking Bund. The killing took ten minutes. The men were lined against a wall and shot and then a number of Japanese, armed with pistols, trod nonchalantly around the crumpled bodies, pumping bullets into any that were still kicking."

Peace Maintenance Commission Established in Wuhu

Creation of a Wuhu central Peace Maintenance Commission, comprising representatives elected by 10 smaller similar bodies existing in the Yangtze city, on Feb. 5, was announced Feb. 15 by a Japanese military spokesman.

Following the capture of Wuhu by Japanese forces on Dec. 12, the city was divided into 10 sections, where Japanese Army pacification units went into operation. In each of these sections a peace maintenance commission was formed. Elections were subsequently held on Feb. 4, when representatives to the Central Commission were chosen. The aims of the Commission, the spokesman said, were made public in a manifesto issued on Feb. 5.

Population of Hangchow Growing

From 100,000 at the time of the Japanese occupation of Hangchow, the Chinese population of the lakeside city had increased to 250,000 persons, a spokesman for the Japanese Embassy announced.

Electric light became available on Jan. 3, while the waterworks were restored on Feb. 10. Japanese currency, he said, is negotiable at par with notes of the Banks of China, and Communications and the Central Bank of China, with the Shanghai imprint. Chinese did not accept those from other localities, especially Hankow.

A free clinic was being operated by the Japanese Army for the benefit of the Chinese, he said. At Mokanshan, where 400 Chinese are residing, a branch of the Wutsin Peace Main tenance Commission had been organized.

Chinese Attack on Wuhu Repulsed

An attack by a Chinese force, about 3,000 strong, upon Japanese positions at Wanchih, 30 klms. southeast of Wuhu, on Feb. 13 had been successfully repulsed by the Japanese troops, a Japanese military spokesman announced Feb. 16. In retreating from the field of combat, the Chinese left behind about 600 bodies. The Japanese losses were put by the officer at 15 men.

Sian-Lanchow-Ninghsia Air Service Restored

The Eurasia Aviation Corporation has resumed the regular air mail and passenger service between Sian, provincial capital of Shensi; Lanchow, provincial capital of Kansu; and Ninghsia City, provincial capital of Ninghsia, *Kuo Min* reports from Hankow.

Soviet Scientists Rescued

The four Soviet Russian scientists, who were marooned on a drifting icefloe for nine months, have been rescued by the two Soviet relief ships *Taimyr* and *Murman*, which have taken them on board along with their full camp equipment and all scientific instruments.

Both icebreakers had got within 1500 meters of the icefloe Feb. 19 and the crews were able to wave a greeting to Papanin and his three companions. The actual rescue party, made up of 80 members of the crews of both ships, then set out across the ice to the camp, where after the first exchange of greetings they immediately set to work to remove all equipment. A human chain was formed across the ice to transport the material to the *Taimyr*.

Lots were then drawn by the scientists to decide on which ship they should return home. Papanin and Krenkel drew the *Murman* and Fjoderoff and Chirchoff the *Taimyr*. Both ships left for home at seven o'clock on the same day.

Manchukuo Protests Soviet Border Clash

Charging that 10 G.P.U. members of the border patrol illegally crossed the Eastern Manchukuo-Soviet boundary and fired upon Manchukuo guards, the Manchukuo Government filed a protest Feb. 15 with the Soviet Government in Moscow.

The clash occurred at a point near Suifenho. The Soviet patrol allegedly fired upon the Manchukuo guards, who returned the fire and repulsed the invaders quickly, *Domei* reported from Hsinking.

Japanese May Drive for "Back Door" of China

While the Japanese likely are to continue their drive on the Lunghai Railway front, according to well-informed Chinese circles in Hankow Feb. 19, the main body of Japanese troops will be used for the forthcoming offensive aimed at securing the occupation of China's north-western provinces, thus severing direct communictions between China and Russia.

Chinese observers also believe that the Japanese will use fresh divisions from Manchuria to launch a drive into southern Shansi, swing towards Shensi, Kansu and Ninghsia and seize the "back door" of China.

Outstanding Events in the Sino-Japanese War

A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th issue of The Review.

Jan. 22.—Heavy fighting raging on southern section Tientsin-Pukow Railway between Mingkwang and Linghuaikwan; Mingkwang said recaptured by Chinese. Northern section Tsin-Pu Railway quiet, while Japanese preparing for a major attack on Lung-Hai Railway.
Chinese guerrilla forces active near Nanking and Hangchow, also on Shansi-Hopei front; constantly harrassing Japanese lines of communications.

Jan. 22.—Japanese naval aircraft made 13,000 raids in China between August 13 and December 31, 1937, according to Admiral Mitsumasa Yonai, Japanese Navy Minister.

Jan. 22.—New customs tariff for North China announced by Peiping Provisional Government.

Jan. 22.—Gen. Chang Chun, former Foreign Minister and now Vice-President Executive Yuan, mentioned as Chairman of Szechuan, succeeding the late Gen. Liu Hsiang.

Jan. 22.—Thirteen Chinese divisional commanders dismissed from posts by order of Hankow Military Headquarters. Prominent among them are Gen. Sung Hsi-lien, Commander of 36th Division (which participated in defence of Shanghai), Gen. Lo Lin, Commander of 71st Division, (who was held responsible for the loss of Tazang in Shanghai), Gens. Chen Wan-cheng, Tai Shu-hwa and Feng Yu-yuen. The order also cited for commendation six officers including Col. Hsia Ching-yuan, Commander of the "Lone Battalion" in Shanghai, and several army corps commanders who had been killed in action.

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Jan. 23.—Japanese march on Hankow would not be necessary, stated Gen. Iwane Matsui, Japanese Military Commander in Central China, in interview with **Kaizo** magazine on Dec. 31, according to a **Reuter** dispatch from Tokyo. Referring to Japanese attitude toward the foreign concessions in Shanghai, Gen. Matsui declared: "In principle I do not recognize the neutrality of the foreign concessions in Shanghai. Therefore, I, myself, intend, hereafter, to exercise China's sovereign rights over the concessions. If we act with determination the foreigners will recognize our authority."

Jan. 23.—Hankow authorities make public Japan's four basic conditions for peace as submitted to the Chinese Government through the mediation of Germany in December. The conditions are:

1. Abandonment by China of her policy tolerating Communism and opposing Japan and "Manchukuo," and adoption by China of a policy of co-operation in the Japan-"Manchukuo" anti-Communist bloc;
2. Establishment of demilitarized zones in "necessary localities" and creation of special regimes for these areas.
3. Conclusion of an economic agreement between China, Japan and "Manchukuo," and
4. Payment of "necessary indemnities" by China to Japan.

Jan. 23.—Soviet Embassy in Hankow completely destroyed by fire. Sabotage believed the cause, as explosion heard before flames start. The building was not occupied at the time of fire.

Jan. 23.—Heavy snowfall south of the Yangtsze holds up fighting on Tientsin-Pukow Railway sector where Chinese and Japanese forces are said to be deadlocked.
Heavy Japanese reinforcements rushed to Wuhu areas to check Japanese attacks. Chinese planes raid Wuhu twice.

Jan. 23.—The new Customs Tariff inaugurated by Japanese army in North China shows reductions from 25 to 75 per cent, as compared with the tariff of the Chinese National Government.

Jan. 23.—Japanese Government leaders also disclose the so-called four cardinal points of Japan's China policy:

1. That Japan will not deal with the Nationalist Government under any circumstances;
2. That Japan may still declare war on China to stop foreign arms-shipments;
3. That Japan will act as a foster-parent to the North China Administration;
4. That there was absolutely no possibility whatever of third-party mediation.

⁂

Jan. 24.—Gen. Han Fu-chu, ex-Shantung Chairman and Commander of 3rd Route Army, was executed by shooting at Hankow. Death sentence was pronounced upon him the previous day by courtmartial presided over by War Minister Ho Ying-chin, which found him guilty on five charges:

1. Repeatedly disobeying orders from his superior commanders and retreating on his own accord.
2. Forcing the sale of opium upon the people of Shantung.
3. Exacting, by force, taxes and levies from the people of Shantung.
4. Seizing public funds.
5. Depriving the people of Shantung of their firearms.

Jan. 24.—Hsu Shih-ying, returning Chinese Ambassador from Japan, who passed Shanghai en route to Hongkong, denied reports that he was bringing with him four basic peace terms. Mr. Hsu did not land when the **Empress of Asia** on which he was travelling called at Shanghai.

Jan. 24.—Tsining, strategic city in western Shantung, reported encircled by Chinese troops now counter-attacking the city, vanguards having reached Anchuchen, 10 kilometers west. Brisk fighting between Chinese and Japanese troops near Takushan (hill), overlooking Wuhu city. Fuyang, in Chenkiang, reported recaptured by Chinese.

Jan. 24.—Nipponese planes raided Ichang, west of Hankow, on the Yangtsze, for first time; some 60 bombs dropped, causing heavy causalties.
Canton also air-raided by Japanese aircraft.

Jan. 24.—Offices of the **Social Evening News,** (Chinese) Shanghai, bombed when hand-grenade thrown into corridor. Three persons injured; paper first attacked on Jan. 17.

Jan. 24.—M. Luganets-Orelsky, the new Soviet Ambassador to China, presented his credentials to Chairman Lin Sen of the National Government at Chungking.

Jan. 24.—New customs tariff for North China which was announced on Jan. 23 by Peiping "Provisional" Government was repudiated by the National Government. Hankow Finance Ministry ordered all Customs Houses in the North to refuse to recognize the new tariff.

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Jan. 25.—Gen. Li Tsung-jen, Commander of Chinese Forces on Tientsin-Pukow Railway front, inspected Chinese defences at Pengpu, regarded as early objective of Japanese troops operating on southern section of Railway. Gen. Chiang Kai-shek dispatched two representatives, Gens. Chen Tiao-yuan and Chang Chi-kiang, to the Tsin-Pu and Lunghai Railway fronts to "encourage" Chinese troops.
Chinese defences along Peiping-Hankow Railway strengthened.

Jan. 25.—Japanese Foreign Minister, Koki Hirota, declared at meeting of House of Peers that Japan could not pay attention to intervention by third Power.

Jan. 25.—President Roosevelt appealed to American people to contribute U.S. $1,000,000 to help suffering civilians in China.

Jan. 25.—Brigadier-General John C. Beaumont, commanding officer of the 2nd Brigade, United States marines, contributed $2,831 (proceeds from the Marines' boxing events) to Chinese refugees in Nantao under the care of Father Jacquinot.

Jan. 25.—Japanese property losses in Tsingtao estimated at more than Yen 500,000,000.00, according to a **Reuter** report from Tokyo.

Jan. 25.—Smuggled Japanese sugar, selling at prices 60 per cent cheaper than legitimately imported sugar, now flooding Shanghai market and wide area among cities along Nanking-Shanghai and Shanghai-Hangchow Railways. More than 30,000 bags of the contraband sugar believed to have been brought to Shanghai since January 1 and landed in Hongkew without customs examination.

Jan. 25.—The new Soviet Ambassador Ivan Luganets-Orelsky, returned to Hankow after presenting his credentials to the President of China at Chungking.

Jan. 25.—Japanese Diet discusses stationing of Japanese troops in China permanently. Garrison question being studied, War Minister Gen. Sugiyama revealed.

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Jan. 26.—Violent fighting in vicinity of Tsining, western Shantung, city now virtually encircled by Chinese troops. Japanese reinforcements are making desperate attempts to relieve city.

Jan. 26.—Hankow declared Government determined to defend Hsuchow, had completed concentration of 300,000 troops in that area for forthcoming battle with the Japanese. Since dismissal and execution of Gen.

Han Fu-chu, all Chinese troops on Tientsin-Pukow Railway now under unified command of Gen. Li Tsung-jen, who has been made concurrently Chairman of Anhwei in order to facilitate military operations in Hsuchow and along Lunghai Railway.

Jan. 26.—13 Chinese bombers raid Japanese airdrome in Nanking, claimed destruction of more than 20 Japanese planes aground. One Chinese plane damaged, made forced landing at Anking, Anhwei. Japanese positions in Wuhu were also bombed.
According to Japanese report, three Chinese raiders shot down at Nanking. In the wreckage of one it was alleged, were found the remains of a Soviet pilot.
Nanchang and Amoy were also raided. In Amoy, one bomb struck a Chinese hotel and killed many occupants.

Jan. 26.—Some 250,000 refugees in Nanking's Safety Zone facing starvation as the food and fuel supplies of the city rapidly dwindle and attempts to replenish stock have repeatedly been obstructed by Japanese, according to appeal issued by the International Committee in charge of the Nanking Safety Zone.

Jan. 26.—John B. Allison, 2nd Secretary of American Embassy in Nanking, was slapped by a Japanese sentry, according to a Japanese report received in Shanghai. The assault took place when Mr. Allison was on premises occupied by Japanese troops and allegedly failed to leave the place "after being repeatedly asked to do so." An American missionary who was with Mr. Allison at the time was also struck by the Japanese sentry. Immediately after the incident, Mr. Allison protested to the Japanese Consulate in Nanking and a Japanese army officer subsequently apologized for the slapping.

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Jan. 27.—Japanese planes raided Hankow and Hanyang, dropping more than 60 bombs; raiders met by heavy anti-aircraft fire. According to Chinese report, one damaged Chinese plane on Hankow air field was wrecked.
Japanese naval spokesman in Shanghai exhibited maps and documents in Russian, found on mangled body of an Occidental in the wreckage of a Chinese bomber shot down at Nanking yesterday proved pilot to be Soviet flier.

Jan. 27.—Four bombing attacks occurred in the International Settlement and the French Concession, (two in each) resulting, fortunately, in only slight injuries to one Chinese.

Jan. 27.—Lull prevailed on Tientsin-Pukow Railway front, but both the Chinese and Japanese sides continued troop concentrations. According to German **Transocean** report, Japanese intend to remain on the defensive for the time being pending arrival of reinforcements.

Jan. 27.—Japanese Embassy spokesman announced censorship of commercial telegrams and cables filed from Shanghai would be imposed, beginning Jan. 28. Secret codes must be forbidden unless copies filed with Japanese authoritry. Foreign Consular Body not informed of the proposed censorship nor of its regulations.

⁂

Jan. 28.—Japanese troops resumed operations on southern section of Tientsin-Pukow Railway. Chinese positions north of small river running between Mingkwan and Linhuaikwan were subjected to intensive artillery bombardment, but attempts of Japanese infantry units to cross the river were frustrated, according to Chinese report. Situation in northern sector of the Tsin-Pu front remained unchanged, although heavy fighting continued in Tsining, western Shantung.
Japanese reports stated Chinese troops were unusually active along the Lunghai Line. Large number of Chinese planes reported to have been massed at Hsuchow and Kweitch.

Jan. 28.—Japanese military spokesman at Shanghai declared that John Allison, 2nd Secretary of American Embassy at Nanking, who was slapped by a Japanese sentry on Jan. 26, "could have been shot" for his refusal to obey orders of the Japanese sentry, to leave courtyard of Japanese garrison post. Spokesman added that the sentry who slapped Mr. Allison was only "doing his duty." Other American, C. H. Riggs, of Nanking University, who accomplanied Mr. Allison, was also slapped by the Japanese sentry.

Jan. 28.—The American and British Consuls-General in Shanghai protested to Japanese against Japanese censorship of commercial telegrams and cables. The British Consul-General also protested against Japanese censorship of press messages filed by H. J. Timperley to the **Manchestar Guardian.**

Jan. 28.—Japanese naval spokesman in Shanghai threatened that Japanese planes would bomb the business and residential areas of Hankow, alleged Chinese had stationed anti-aircraft batteries in these areas.

Jan. 28.—Dr. Wellington Koo, Chinese chief delegate to the League of Nations at Geneva, condemned the League's lack of courage to stand by its principles. League Council asked to approved resolution encouraging League members to assist China individually.

Jan. 28.—Chinese authorities of Hankow cabled President Roosevelt, thanking him for his appeal to the American people through the American Red Cross for funds to relieve Chinese civilian victims of the war.

Jan. 28.—Four more hand grenade attacks, took place in the International Settlement and the French Concession:
The home of the Japanese Consul-General, S. Okamoto, at 128 Seymour Road, where one cigarette-can grenade was found on the lawn. No one was injured.
The branch police office of the "Great Way City Government," corner of Robinson and Kiaochow Roads. Two grenades were hurled into the office resulting in slight injuries to a Chinese employee of the organization.
The Japanese censorship office of Chinese newspapers, Room 218. Hardoon Building, 233 Nanking Road. The bomb bounced back and exploded in the hallway outside the office.
In front of the home of Chen Chun, retired principal of the Cheng Shih Academy, at 10 Route Lorioz. The missile exploded in the roadway without causing any casualties.

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Jan. 29.—Severe fighting continued across a small river running between Mingkwan and Linhuaikwan on southern sector of Tientsin-Pukow Railway; Japanese failed in attempt cross.
Tsining sector also violent fighting.

Jan. 29.—U. S. State Department instructed (Jan. 28) Joseph Grew, American Ambassador to Tokyo, to protest to the Japanese Government against the attack on John Allison, 2nd secretary of the American Embassy by a Japanese sentry in Nanking on Jan. 26.

Jan. 29.—South Manchuria Railway will soon take over the Peiping-Suiyuan Railway Administration and manage the line on behalf of the Peiping "Provisional" Government, according to **Reuter** report from Peiping.

Jan. 29.—Chinese paper, **Sin Wan Pao,** on Hankow Road and **The China Critic,** Chinese edited English-language weekly, were bombed. One Chinese was slightly wounded.

⁂

Jan. 30.—John Allison, 2nd Secretary American Embassy at Nanking, refuted Japanese version of slapping incident. He denied Japanese charge he had refused to leave the premises occupied by Japanese troops and that he had insulted any Japanese military officer. Mr. Allison added that there was no justification for the attack. According to the official statement cabled by Mr. Allison to the State Department, he and Mr. Riggs were assaulted by the Japanese sentry at a place where they had accompanied a Chinese woman who was raped by Japanese soldiers and who was asked by Japanese gendarmes to identify her assailants.

Jan. 30.—General Chiang Kai-shek returned to Hankow after an inspection tour of various war fronts. Gen. Chiang expressed satisfaction with the able direction of Gen. Li Tsung-jen in the defence of Hsuchow area.

Jan. 30.—Negotiations continued between representatives of the Central Government and Szechuan military leaders for settlement of misunderstanding arising from Government's appointment of Gen. Chang Chun as Chairman of Szechuan, succeeding Gen. Liu Hsiang. Gen. Chang's appointment reported to have been opposed by Szechuan provincial military leaders who preferred a man of their own choice.

Jan. 30.—The so-called "Great Way City Government" officially announced that they would begin from Jan. 1, 1938 to levy all taxes formerly collected by the City Government of Greater Shanghai and other Chinese government organs in Shanghai.

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Jan. 31.—Air raid alarm sounded for the first time in Chunking, seat of the Chinese National Government, but no raiders appeared.

Jan. 31.—Dr. H. H. Kung declared that China's faith in the League of Nations remained unshaken. Despite slowness with which League members responded to China's appeal for assistance in her struggle against Japan, Dr. Kung said, China had not abandoned hope that the League would triumph ultimately as an instrument of peace and justice.

Jan. 31.—No important developments on war fronts except indecisive fighting between Linghuaikwan and Fengyang.

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Cantonese Ready for Japanese Invasion, Says Wu Te-chen

If the Japanese were to invade Kwangtung—and an invasion seemed only a matter of time—they would find the Cantonese ready for them, said General Wu Te-chen, Chairman of the Kwangtung Provincial Government and formerly Mayor of Greater Shanghai, at a meeting of the Committee for Justice to China, Feb. 20.

The Japanese, he declared, would find not only the regulars, "but every daughter and son of Kwangtung ready to meet them with sword." "It will then be a battle to the bitter end," he predicted. "Kwangtung is the cradle of Chinese nationalism. For our ideals and for our homesteads we will give the invaders a reception which they will not soon forget. The Cantonese are a peace-loving people, but when their homes are invaded they will teach the marauders what it means to be beaten."

"China," said General Wu, "is facing a crisis of the gravest kind, but it is not of her own seeking. It is forced upon her by Japan, whose one aim is to conquer China that she herself would be in a position not only to be the master of China but also to dominate the entire world. Realising what is would mean to be so conquered, China is putting up a determined resistance in spite of her lack of war supplies and weakness in armaments." General Wu added:—

"Japan has persistently denied the authenticity of the notorious Tanaka memorial, but nothing can hide the fact that Japan' by a series of rapid movements, is seeking to put the plan into materialisation.

"General Matsui once visited me as an envoy of a movement known as Asia for the Asiatics. It was only a year and half ago that he sat in my guest room and stronly urged me to prevent Asiatics from fighting Asiatics. Today he is the man who directs nearly half a million Japanese soldiers in a wild orgy of destruction and slaughter throughout the leangth and breadth of Central China.

"Yet Japan's representative spokesmen pretend to be puzzled to know why the Chinese people are so anti-Japanese. General Matsui would even have us believe that he is on a special mission for the establishment of better relations between China and Japan. He even talks about the cultivation of friendly relations with the Chinese people. Would the world stand such an insult to its intelligence?

WHY NOT BOTH TOGETHER?

Montreal (Canada) Star

Alphonse Sam: "But you usually take the lead in throwing lifebuoys, my dear Gaston."

Gaston Bull: "After you, my dear Alphonse!"

Japanese Denied Telephone Communication With Canton

Japanese use of the Hongkong-Canton telephone line to check up from Hongkong on the condition of Japanese godowns and other property in Canton was brought to an end Feb. 18 when the practice was brought to the attention of Mr. Tseng Yang-fu, Mayor of Canton and Pittsburgh University graduate of 1923.

The Mayor exploded verbally when informed of the Japanese practice and issued orders for telephone operators here to determine the nationality of all callers from Hongkong and to cut off any Japanese or foreign agents from Japan.

The matter came to the Mayor's attention when the Japanese Consulate in Hongkong made a formal request to the Mayor's office regarding the condition of Japanese property in Canton. Further investigation revealed that Japanese in Hongkong had been employing the telephone for some time to obtain information from Canton.

"They have bombed our railroads, villages, cities, farmers and telephone lines," the Mayor said, "and as soon as the telephone lines are repaired, they are asking us how their property here is! This is too much!

"This is war. Let the Japanese continue to bomb our cities and villages. In six months they have spent $30,000,000 bombing South China railways and cities while we have spent less than $1,000,000 in repair work. We win thirty to one."

Japanese Planes Active Throughout South China

Meanwhile, Japanese air raids on the Canton-Kowloon Railway continued with destructive regularity, and South China cities were subjected to continued attacks by Japanese bombers. Drawing an ever lengthening radius for their attacks, Japanese naval aircraft carried out their first attack on Hengyang, important traffic center in Hunan, halfway between Canton and Hankow, on February 18, concentrating their bombs on the airfield.

The Canton-Hankow Railway and highways leading from Canton were subjected to severe bombing on February 17 by several squadrons of Japanese planes. The unused arsenal northwest of the city was also bombed, three missiles landing in the compound and four nearby, killing five persons and wounding three.

The Bocca Tigris forts were also the object of aerial attacks, and shelling by Japanese gunboats, but *Kuo Min* reports that the forts replied and silenced the gunboats after an engagement lasting for one hour, while the three Japanese airplanes were driven off by anti-aircraft defence batteries.

Foreign Trained Chinese Aviators Returning

More than 40 overseas trained Chinese aviators are scheduled to return to China early next month from San Francisco, where they have just graduated from a flying school, and will offer their services to their country, according to Chinese information received from Hongkong, *The Shanghai Times* reported Feb. 15.

The Overseas Chinese Mobilization Society in Hongkong has notified the Kwangtung Provincial Government of their impending arrival, and the authorities were asked that posts be arranged for the young aviators. Overseas Chinese in San Francisco have donated 10 planes to the youths, according to the report.

Air Raids in Kwangtung

A fleet of 37 Japanese airplanes bombed Chuntien, Yingtak and other points on the southern section of the Canton-Hankow Railway Feb. 13. More than 50 bombs were dropped, damaging several portions of the railway tracks. Cheungmuktow, on the Canton-Kowloon Railway, was also bombed. Most of the bombs fell into the rice fields, however, causing little damage, *Kuo Min* reported.

Red Troops in Fukien Said Reorganized

Under the terms of an understanding between the Communist Party and the Kuomintang, Red units in Fukien have been incorporated within the Central Army, according to Chinese newspapers in Hongkong, *Domei* reported Feb. 14.

The reorganized troops were commanded by Red chieftains Chang Ting-cheng and Teng Tzu-hui, both of whom had taken part in the ten-year war between the Communists and the Nanking Government.

Japanese Trawler Attacks Junks in Hongkong Waters

A Japanese armed trawler attacked and set fire to six Chinese junks in Hongkong (British) waters on Feb. 12 near Ching Shan (Blue mountain), *Kuo Min* reported from Hongkong. Four of the junks were burnt and sank but two were saved by the Hongkong Water Police. The Japanese trawler made good its escape.

Britons Said Supplying Arms to China

Huge quantities of Czech and Belgian arms and ammunition seized in Tsingtao by the Japanese troops last month were sold and brought to China by British "merchants of death," the Tokyo *Nichi-Nichi* reported Feb. 14. If Britain really wants to maintain neutrality in the current Sino-Japanese dispute, she should follow the example set by France, the daily commented. The French Government, the journal said, has recently declared an embargo on the export of arms to China and has banned the transportation of war supplies through Indo-China.

"Tsingtao, which has been left open since the outbreak of the current incident," the daily went on, "has now been closed by Japan in retaliation against Chinese vandalism, as shown in the destruction of Japanese property in Shantung." The Japanese Government, the daily concluded is watching with concern the growing imports of war supply through Hongkong.

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S.I.R.C. Takes Care of Shanghai Refugees

Four months after its inauguration the Shanghai International Red Cross (commonly known as S. I. R. C.) finds itself a feeder of some 128,400 mouths, a teacher for about 30,000 refugee children, a distributor of nearly 200,000 pieces of relief clothing and a beneficiary of no less than $1,286,538.77.

During these four months, several hundred people, Chinese and foreign friends, have given voluntary assistance to the work of the Shanghai International Red Cross, thus enabling it to use practically all its funds for direct relief work. Under its Executive Committee led by Dr. W. W. Yen, eight sub-committees have been formed with a view to giving speedy and adequate attention to various phases of its relief program, all of them being headed by prominent leaders and experts in their respective fields.

Organized for the main purpose of co-ordinating the relief efforts of the multitudinous philanthropic societies in the city, the S. I. R. C. now finds itself extending a guiding hand to no less than eleven relief organizations and directly supporting 153 refugee camps conducted under the auspices of these same relief bodies. Through the efforts of its Refugees Committee headed by Father R. P. Jacquinot and the Finance Committee headed by Mr. C. R. Bennett, the S.I.R.C. has already made remarkable progress in eliminating duplication of relief efforts and in controlling the allocation of relief funds.

During the month of January the S.I.R.C. distributed food supplies to 148 camps, benefitting about 126,000 refugees. This month it is supporting a total of 153 camps, with approximately 128,400 refugees. The 153 refugee camps now depending upon the S.I.R.C. for maintenance are administered by the following relief societies: 1. International Relief Committee, 2. Federation of Shanghai Charity Organizations, 3. Shanghai Emergency Relief Committee, 4 Cantonese Refugees Relief Committee, 5. The World Red Swastika, 6. Relief Society of 5 Hsien Guild of Kiangsu, 7. China Yellow Swastika, 8. Kiangnin 6 Hsien Guild, 9. The Blue Swastika, 10. the White Swastika, and 11. the Most Sacred Buddhist Society.

According to figures released by Dr. J. E. Baker, director of the S.I.R.C., the cost of rations, fuel and trucking for 125,000 refugees runs into $255,430 a month. The cost of daily ration in January, per 100 refugees, amounted to $6.37½. The ration distributed to the war refugees includes rice, beans, wheat, vegetables, salt, oil, and fuel.

In addition to supplying food to the refugee camps, the S.I.R.C. is also helping in collecting and distributing clothing materials. According to information obtained from the Visiting Committee, headed by Mr. N. B. Doodha, the question of clothing is being quickly solved and there is no acute shortage of clothes amongst the majority of the organized camps.

Under the supervision of the Education Committee, headed by Dr. H. C. Chen, the S.I.R.C. has put nearly 30,000 refugee children in schools, specially set up in some 170 refugee camps. In January, educational supplies (such as text-books and blackboards) amounting to $1,600 have been given out to about 200 camps.

The Wounded Soldiers Committee, formerly headed by Dr. F. C. Yen but now with Dr. H. B. Chu as acting chairman, has taken charge of thousands of cases during the last few months. In spite of numerous handicaps, it has been able to repatriate hundreds of patients. On February 1 a hospital for crippled soldiers was officially opened, with Dr. T. Stearns as superintendent. Plans for the establishment of a shop for making permanent legs is also under way, and for this purpose two technicians have been obtained from the Orthopedic workshop of the Peking Union Medical College. By following a plan of gradual repatriation, the Committee has been able to reduce the number of wounded men under its care to a negligible figure, and it is hoped that before long the Committee will find it possible to close up all of the wounded soldiers' hospitals temporarily set up in Shanghai, giving time and attention to only the permanently disabled.

In co-operation with the Shanghai United Epidemiology Committee, the S.I.R.C. has treated 8,099 persons in November and 19,299 in December in its delousing service. It is reported that the number of refugees deloused in January would probably reach 30,000.

The Committee on Surrounding Areas, under the leadership of Dr. Y. Y. Tsu, has been keeping in touch with conditions in the war-torn districts and has made a number of grants to help relief work amongst war refugees in Sungkiang and Soochow. Arrangements are being made with a view to despatching foreign friends, particularly missionaries, to the war-affected districts so as to ascertain relief needs and to explore the possibilities of giving help.

Headed by Dr. Sao-Ke Alfred Sze, the Publicity and Appeals Committee has not only conducted an intensive campaign locally but also has contacted many organizations and friends abroad with a view to interesting them in helping the S.I.R.C. in securing relief funds. Up to February 12, a total of $1,286,538.77 has been secured, of which sum $794,328.83 came in as straight donations while $492,209.94 was derived from the sale of liberty bonds, Red Cross calendars and bank interest. More than 2,000 people have contributed to the relief chest of the S.I.R.C., the majority of them being Chinese.

In order to continue and extend its financial drive, the Publicity and Appeals Committee has now started a Save A Life A Month Club, members of which are each requested to donate at least $3.00 a month (regarded as sufficient to support one refugee a month). In January more than 220 persons joined this Club, and its total income from fees and donations amounted to over $1,000.00. It is hoped that the membership of the Club will be doubled in February.

As on Feb. 12, the S.I.R.C. has a balance of but $162, 523.84 free for new allocations. In view of the fact that a total of 250,000 refugees, including those in Nantao and the alleyway population, are still in Shanghai and that there is no immediate prospect of repatriation on a large scale, the S.I.R.C. fears it will not be able to continue its relief measures very long unless new and additional resources can be found soon.

C. H. L.

Soviet Workers to Give Money to China

Funds collected by the employees and workers of the Soviet Molotov Railway for the benefit of the Spanish Loyalist Government will, beginning this month, be contributed instead to the Chinese Nationalist Government, Harbin newspapers reported Feb. 17.

The transfer of the funds, which are deducted from the salaries of the railway's employees, was ordered by the Soviet Government, the press said.

Prince Konoye Says Japan Aiding N. China Relief Work

Japan has been and is making every effort for the relief of North China's distressed population, in co-operation with the new Provisional Government in Peiping, Premier Prince Ayamaro Konoye told the Japanese Diet Feb. 17. The statement was in response of a plea by Mr. Toshisada Mayeda, of the Upper House, for adequate measures to relieve the people of North China who are suffering from a shortage of foodstuffs.

The Japanese Army, Gen. Gen Sugiyama, War Minister, added to Premier Konoye's statement, is also assisting the Peking Government's Relief Affairs Bureau and has assumed the burden of pacification work in the region. Foreign Minister Koki Hirota said the Gaimusho is providing assistance to the Chinese people in the form of medical service. "It is the will of the Japanese people," declared Mr. Mayeda, "that the people of China be given adequate relief."

"FLANK AND GUERILLA" TACTICS TO FOLLOW LUNGHAI DEFENSE

(Continued from page 343)

Taking advantage of the uncertain situation certain politicians are allegedly attempting to organize separate regimes for Kiangsu and Chekiang. Chen Tao-yi, formerly Civil Governor of Kiangsu under the late Marshal Sun Chuan-fang, was said to have been selected as chairman of the Kiangsu Provincial Government, but he refused to accept and departed for Hongkong. Another, named Chao Hou-sen is also reported as active in making contacts with the Japanese in connection with a plan for organizing new regimes. He is said to be secretary of the "Fu Hsin Hsueh Hui (Society for Revival), organized years ago by the late General Huang Fu and Gen. Chang Chun. In view of both Japanese and Chinese activities it is thought likely that before long some sort of a political set-up may be established at Nanking.

In Shanghai, the Pootung regime known as "The Great Way City Government" is gradually widening its activities. According to a Chinese report, the Finance Bureau of the "Great Way Government" will soon collect taxes on goods entering the areas under its administration from the International Settlement and the French Concession, as well as from other ports. The Bureau has further decided to take over all properties formerly owned by the Shanghai City Government or its officials. Among the properties already seized are the buses operating in Pootung, the Hsin Yeh Trust and Shih Fang Terrace in Pootung.

H. C. H.

Who's Who in China

Dr. Yao Ting-chen, diplomat; native of Kwantung; received his early education in Kwangtung and Shanghai; studied political science at National South-Eastern University, Nanking; studied at University of Paris and University of Grenoble, and received the degree of Docteur en Droit; editor-in-chief of *The Nanking Citizens Daily News* 1927; member of the Central Party Headquarters; sent by the Central Executive Committee to South-Seas Islands on mission to reorganize the Party there and to investigate the Overseas Chinese affaires; delegate to the 3rd National Congress 1929; secretary of the Kiangsu Provincial Government; member of the Overseas Affairs Commission of the National Government; secretary of the Chinese Embassy at Berlin; Chinese delegate to the VIth International Congress of Local Authorities 1936; adviser to the Chinese Delegation at the International Labour Conference and Martitime Conference of 1936, 1937; author of "Le Gouvernement Central Et Les Gouvernements Locaux En Chine" (in French) published by Edition Pedonne of Paris 1933, and "England And Her Colonies" (in Chinese) published in 1935; address: c/o Chinese Embassy, 218 Kurfurstendamm, Berlin W. 15.

姚定廉
Dr. Yao Ting-chen

Miachen S. Shaw, economist; B. A. Fuh-Tan University, Shanghai, 1921; M. B. A. Washingtin State University, U. S. A., 1924; further study in Economics at Washington and Columbia Universities, 1924-27; Professor of Money and Banking, Land Economics and Economic Planning, Fuh-Tan University; Dean of the Department of Economics, Anhwei Provincial University, Anking; Dean of the Department of Economics of the Central Political Institute, Nanking, 1929-35; Director of the Graduate School of Co-operation, Central Political Institute and concurrently assistant chief of the Wartime Economics Division of the Central People's Economic Planning Committee, Nanking; enthusiastic promoter of the co-operative movement in China; author of "Economic Foundations of Society," "Co-operative Economics," "World Monetary Problems," and "Social Economics;" address: c/o Central Party Headquarters, Chungking, Szechuan.

壽勉成
Miachen S. Shaw
(Shou Mien-chen)

Japanese Attempt to Stamp Out Guerilla Warfare

Hundreds of small Chinese villages have gone up in smoke, and thousands of people are homeless, as a result of new Japanese tactics aimed at stamping out guerilla warfare by Chinese troops.

Travelers arriving in Peiping Feb. 21 from various points along the Peiping-Hankow Railway described a series of fires as the Japanese apply torches to villages with the object of preventing them from being used by roving bands as bases for attacks on Japanese lines of communications.

Minor battles in North Honan and South Shantung are reported by Japanese official sources, which state that there is little change in the general situation. In North Honan, the Japanese are said to be advancing westward along the Taokow-Chinghua Railway.

PAINTS AND PAINT WORK

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In the United States Court for China

WILLIAM SHEVCHENKO, Plaintiff, vs. DORA SHEVCHENKO, Defendant.	Cause No. 4301 Civil No. 2180 ORDER Filed at Shanghai, China, February 17, 1938. William T. Collins, Clerk.

The object of this suit is an action for divorce

WHEREAS, plaintiff herein, by his attorneys, has this 15th day of February, 1938, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 15th day of February, 1938, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 15th day of February, 1938, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China, nor has he resided therein for the past five years, and that defendant's last known address was 648 - 18th Street, Oakland, California

NOW, THEREFORE, it is this 17th day of February, 1938, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the CHINA WEEKLY REVIEW, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 12th day of March, 1938, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,

this 17th day of February, 1938.

MILTON J. HELMICK
Judge.

Men and Events

The Shanghai office of the Chase Bank has been moved from 80 Kiukiang Road to 99 Nanking Road in the new Liza Hardoon Building which has just been completed.

Eugene Chen, former Minister of Foreign Affairs in the Left Wing Kuomintang Government at Hankow in 1927 and long known as a writer on political affairs, is shortly returning to China according to a *United Press* report from Paris on Feb. 15.

Three well known Chinese newspapers, *Ta Kung Pao, Shun Pao* and *China Times*, which were closed here because of the Japanese censorship and interference, are planning to resume publication shortly in Hongkong, according to a report published in Shanghai last week.

Gen. Wu Te-chen, Governor of Kwangtung Province and previously Mayor of Greater Shanghai, announced on Feb. 18 that he had received the sum of $100,000 from Chinese residents of Cuba, who desired the fund used for the purchase of airplanes to defend Canton.

Anton Lethin, Jr., 12-year old son of Mr. and Mrs. Anton Lethin, formerly residents of Shanghai, was the winner of a U.S.$5,000.00 prize for highest scholastic standing in the Hopkins Grammar School of New Haven, Conn. Mr. Lethin, Sr., is now connected with a chemical concern.

Miss Dorothy Elizabeth Gauld of Shanghai was married on Feb. 9 to Douglas Henry Stevens, who is connected with the China National Aviation Corporation at Chungking. The ceremony was held at St. Andrews Church, Hongkong. The bride is the daughter of the Rev. and Mrs. Wm. Gauld, who are stationed in Formosa.

Ed. W. Beatty, who has been connected with the Shanghai office of the *United Press* for the past six months, departed last week for Hongkong where he will be in charge of the U. P. Bureau in that city. Prior to coming to Shanghai, Mr. Beatty was stationed in Spain.

Former President Herbert Hoover, who is now traveling in Europe, was granted the honorary title of "Friend of Belgium" by King Leopold on Feb. 18. Following his inspection of districts where he conducted wartime relief in Belgium, Mr. Hoover planned to visit Czechoslovakia and Poland, prior to his return to the United States.

Miss Eleanora Strok, daughter of A. Strok of Shanghai and Tokyo, was married on Feb. 14 to Dr. Alexander Korosi. The wedding took place at the American Consulate-General before Judge Milton J. Helmick of the U. S. Court. Following a honeymoon at Hongkong. Dr. and Mrs. Korosi will reside at the Denis Apartments, Shanghai.

Alfred Lindsay Blechynden, for many years connected with British commercial enterprises in Shanghai, died at Worth, Sussex, England on Feb. 14. Mr. Blechynden's father founded the New Engineering and Shipbuilding Works of which the son later became managing idrector. He was awarded a medal for volunteer service in the Boxer Rebellion.

Several thousand Chinese refugees occupying the premises of Chiaotung University, one of the best known Chinese engineering schools at Shanghai, were compelled to move last week to a new location in the Chinese Chamber of Commerce building on North Honan Road. The Japanese action was taken in order to hand over the premises of Chiaotung University to Tung Wen College, Japanese educational institution, which allegedly was destroyed by the Chinese troops prior to evacuation from Shanghai.

Wong Sam-tin, American-born Chinese, was convicted on charges of receiving stolen goods and sentenced to one year in jail in the U. S. Court for China. The sentence was handed down by Judge Milton J. Helmick on Saturday, Feb. 19. Wong was charged with organizing a group, which formed an American corporation with the object of receiving $6,000 worth of raw cotton which was stolen from the godown of the Wingon Textile Manufacturing Company, located in the Yangtszepoo district. The theft was discovered when insurance appraisers noticed Wingon trademarks on the bales.

Recent issues of the *Saturday Evening Post* well known American magazine, contain a series of articles dealing with Russia which were written by Demaree Bess, correspondent for the *Christian Science Monitor*, who was formerly stationed in China. Mr. Bess' articles consist of a series of interviews with John D. Littlepage, an American gold mining engineer who occupied an advisory position with the Soviet Gold Mining Trust. Mr. Littlepage was previously engaged in gold mining in Alaska.

Rolphe M. Forsyth, who was drowned in an attempt to dynamite a Japanese cargo ship loaded with scrap-iron in Seattle harbor, was a Canadian school teacher and a pacifist. Although it was rumored that wealthy Vancouver Chinese were behind the plot, Lieut. F. A. Hines of the Seattle police, who investigated the incident, stated that Forsyth had spent only between $150 and $200 on the bomb plot, $80 of which went to the purchase of the dynamite. According to the report, Forsyth, who had been out of work for sometime, and a friend decided to bomb the Japanese ship by attaching 369 sticks of dynamite to a railroad tie and then propelling it against the ship with a clock-work attachment to set off the explosive. He attempted to swim in the icy water to propel the explosive when he became cramped and was drowned.

News was received in Shanghai last week of President Roosevelt's formal approval of a number of promotions in the U. S. Marine corps stationed at Shanghai and Peiping, the promotions including, Capt. Emery Larson to a majorship; Lieut. Harvey Tschirgi to the rank of captain; Lieut. Robert Brown to a captaincy (stationed at Guam); Lieutenants Poger Beadle and George Corson (Peiping) to the rank of captains.

The girl students of two leading colleges in Columbia, Missouri, Stephens and Christian Colleges, have ceased wearing silk stockings and joined the anti-Japanese silk boycott which has spread to all parts of the United States. The boycott started following a lecture at the college by Sherwood Eddy, author and lecturer, who formerly resided in the Far East. According to the *Associated Press* report on the action of the students, the object was to prevent the spread of war.

Mrs. Katherine De Salas, American woman who departed from Shanghai several weeks ago with some $2,000 worth of merchandise for which she paid with postdated checks, returned to the city on Friday night of last week in company with Arthur Peterson, Deputy U. S. Marshal. Mrs. De Salas was arrested in Japan. She is now detained by the Court on a charge of obtaining goods by fraud. Mrs. De Salas had resided in Shanghai for several years and claimed that checks which she had expected from the United States had failed to arrive.

K. B. E. S. Hardoon, who is a native of Irak, acting on behalf of his own interest and also that of relatives, has appealed his case against Mrs. Eliza Hardoon and her fortune, originally estimated a worth more than $100,000,000. Hardoon claims that he was a relative of the late S. A. Hardoon, hence is entitled to a portion of the estate. His original claim against the estate was rejected by Judge P. Grant Jones in a decision handed down in the British Supreme Court a year ago. When the elder Hardoon died several years ago he left his entire fortune, consisting of Nanking Road and Bubbling Well real estate, to his widow, a Chinese woman. Mrs. Hardoon resides in the old Hardoon homestead in the midst of a large Chinese-style garden which occupies about two city blocks fronting on Bubbling Well Roads.

According to a report in the Shanghai *Evening Post* on Sunday, Feb. 20 the Japanese sent a gunboat to Wenchow Bay on the southern Chekiang coast and seized a small cargo steamer known as the Ano-vathi, registered under the Greek flag. The purpose of the Japanese in intercepting the Ano-vathi was to rescue a white Russian known as Dimitri I Goostoff, who was expelled from the local French concession on the ground he was conducting pro-Japanese and anti-Soviet propaganda and intrigue. Reports were conflicting whether Goostoff was on the ship when seized, as it had been reported previously that the French authorities had placed the Russian on the ship with the object of having him turned over to the Chinese authorities. The acting Greek Consul-General in Shanghai protested the seizure of the ship.

Women of various nationalities in Shanghai will observe the "World Day of Prayer," scheduled for Friday, March 4. A Chinese service embracing all faiths will be held at the Moore Memorial Church on Yu Ya Ching Road at 3 o'clock in the afternoon, while another service in the English language will be held at the Community Church 53 Ave. Petain at the same hour. This service, open to women of all nationalities, will consist of prayers and a social fellowship meeting in the Church parlors. The speakers include Mrs. E. G. Ottewell of the Cathedral, Miss Ruth Phillips of Community Church, Mrs. Enssle of the German Church and Miss Lily Hwang of Moore Memorial Church.

An early resumption of postal service within the area of Shanghai-Nanking-Wuhu, now controlled by the Japanese, was announced by A. M. Chapelain, Director of the Chinese Post Office, who has been appointed to the concurrent post of Sectional Chief Inspecting Commissioner for Kiangsu, Chekiang and Anhwei. W. W. Ritchie, Director of Posts for Kiangsu, formerly stationed in Nanking, returned to Nanking on Feb. 11 to inspect conditions. He was accompanied by Y. Fuke, Chief Inspector of the Shanghai district and Li Wen-hao of the Kiangsu staff. V. W. Stapleton-Cotton, Director of Posts for Chekiang, did not evacuate, but remained at his post, according to the report. Mr. Chapelain stated that a notice would shortly be issued regarding the reopening of the offices. Nothing was stated, however, about the rumored establishment of a Japanese mail censorship bureau in Shanghai, although it has been said that censorship has already been established.

The Sixth U. S. Marine Regiment which departed from Shanghai with Brigadier-General John C. Beaumont and staff on Feb. 18 had been in Shanghai for a period of five months. According to instructions the Chaumont was scheduled to sail for Honolulu where most of the officers and men would remain, excepting a small number which is returning immediately to Guam. Col and Mrs. F. B. Price, commander of the Fourth Regiment and other staff officers were hosts at a farewell cocktail party at the French Club on Wednesday. The Sixth Regiment was in Shanghai before in 1927, at which time it was commanded by Brig.-Gen. Smedley Butler, who, since his retirement has been delivering addresses demanding the withdrawal of all American troops from China. According to a story in the Marine magazine *Walla-Walla* the Sixth Marines won three out of four trophies in athletic competitions while here. The regiment was organized in August 1917 and had extensive experience in the world War.

G. C. Bruce, publisher of the Shanghai *Evening Post*, accompanied by Mrs. Bruce, is on a holiday trip to Japan.

A special concert for the benefit of The Shanghai Home For Destitute Children was held in the Grand Theatre on Wednesday, February 23, at 8:30 p. m. under the auspices of the League of Chinese Women.

Karl H. von Wiegand, correspondent for Hearst's International News Service, is now in Japan on a trip through the Far East. He is planning to proceed to China by way of Manchuria and North China. John Goette, Peiping correspondent for I. N. S. went to Tokyo to meet Mr. von Wiegand.

Elmer Peterson of the New York office of the *Associated Press*, arrived in Shanghai this week and will be connected with the local office in future. Mr. Peterson has had extensive experience in Europe, including service in the London and Berlin offices and also in the Scandinavian countries.

Julius Eigner, formerly manager of the Nanking office of the German *Transocean* news service, is now in charge of the office in Hankow. Mr. Eigner was one of the last to evacuate Nanking prior to the Japanese occupation and obtained many pictures of the Chinese capital and surroundings which he disposed of to British publications.

M. Baudez, French Consul-General at Shanghai, departed for home on six months' leave on Feb. 18. During Mr. Baudez' absence L. Auge, Vice-Consul, will be in charge of the local French Consulate-General. Mr. Baudez was in charge here during the recent Sino-Japanese hostilities and recently received several honor awards in recognition of his services here.

Sir Archibald Clark Kerr, newly appointed British Ambassador to China, arrived in Shanghai this week aboard the British warship Falmouth. He will replace Sir Hugh Knatchbull-Hugessen, now convalescing from wounds received in an attack by Japanese airplanes when traveling from Nanking to Shanghai in a motorcar during the fighting in the Shanghai area.

Clarence E. Gauss, American Consul-General, will serve as presiding judge of the Court of Consuls in the present year, according to announcement of the Municipal Council of the International Settlement this week. Other members of the Court will include Suemasa Okamoto, Japanese Consul-General and Herbert Phillips, British Consul-General with E. A. Long, serving as Clerk.

John Foster Dulles of New York, well known attorney, writer and speaker on international law arrived in Shanghai this week on a trip through the Far East. Mr. Dulles was born in Washington, D. C. and is a graduate of Princeton, George Washington Law School and Sorbonne, Paris. He is a member of the law firm of Sullivan and Cromwell, trustee of the Rockefeller Foundation and director of numerous corporations including some of the leading American firms which have representatives in China. Mr. Dulles also served on various American commissions participating in international conferences and was counsel to the Commission to Negotiate Peace, following the World War. He is now representative of the American Bondholders Protective Commission. Mr. Dulles is accompanied by Mrs. Dulles and they are guests at the Cathay Hotel.

French Liner Released by Japanese After Two-Day Detention

After encountering a series of vicissitudes of fortune—ranging from 43 hours virtual detention at the hands of the Japanese authorities at Rokuren to a first-class gale some 12 hours out of Shanghai—the Messageries Maritimes President Doumer berthed at the Shanghai and Hongkew Wharf at 3 p.m. Feb. 17.

The arrival of the vessel, however, cast little light on the attitude taken by the Japanese in detaining her at Rokuren on charges that members of the crew had taken photographs in prohibited areas. Neither the officials of the company, including the master of the vessel, nor the handful of passengers who lined the Doumer's rail as she edged her way cautiously towards the wharf, were particularly communicative.

Details of the incident were unaccountably vague and scarcely more satisfying than the brief reports received here in the last few days. It appears that the vessel was boarded by port authorities at Rokuren as she was preparing to weigh anchor for Shanghai, and not permitted to proceed.

Negotiations were immediately entered into by the master of the Doumer with the Japanese officials, whose request that the two delinquents—in the matter of photographs—be removed ashore, was steadfastly refused. The two members of the crew who had in their possession the alleged photographs were M. Pierre Noel, cadet, and M. Theoniel Regnier, cook.

The services of the French consul at Moji and various Japanese officials at the same town were recruited in the process of these negotiations, which lasted from late Saturday evening, till Tuesday, when the Doumer was suddenly released from her detention. Apparently the Japanese authorities had been satisfied that the two sailors had no ulterior motives in the taking of photographs in certain fortified areas of the Inland Sea, and the incident was liquidated on payment of a fine of 50 Yen by each delinquent.

Unpleasant Reminders!

The enjoyment of many a good dinner is spoiled by the thought of unpleasant reminders to follow in the form of flatulence, bile, biliousness, pains in the stomach and other consequences of digestive disorders brought on by constipation. The way to avoid these and other similar complaints and so to enjoy your food, is to take an occasional dose of Pinkettes, the tiny, dainty laxative pills which act as gently as nature. Pinkettes dispel constipation, aid digestion, banish biliousness and sick headache, tone up the liver and quickly restore daily regularity. They clear the skin, brighten the eyes, purify the breath. Appreciated by women for their daintiness, they are equally effective for men. At all chemists.

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THE CHINA WEEKLY REVIEW
160 Avenue Edward VII
Shanghai

New Books of Interest in the Far East

The 1937 Chinese Year Book

The Chinese Year Book, 1937 Issue. Prepared from official sources by the Council of International Affairs, Nanking. 1332 pp. and map. Ch.$16.50. The Commercial Press, Ltd., Shanghai.

The third year of publication of the only really Chinese Year Book in the English language shows further revision. Various chapters have been brought down to date, and some have been rewritten. New chapters have been added. Some old ones, previously encyclopedic in their nature and dimensions, have been greatly condensed. The format has been changed slightly, the pages of the present volume being a little longer than those of previous ones, while reduction in the number of pages makes possible a somewhat less bulky volume than previously despite the use of a better grade of paper—this time quite opaque. While for certain features—notably the comprehensive study of Chinese finance in the first issue, and the excellent historcal outlines of China in both the first and second issues—the earlier volumes remain of permanent value, the new issue is taking on the more limited and standardized but very valuable aspects of a regular Chinese Year Book. Further, the price has been lowered to a much more reasonable figure, the present volume selling at Ch. $16.50 instead of the previous price of Ch.$28.00.

The present issue is the first to be published by the Council of International Affairs, under the direction of Dr. Shushi Hsu. It carries on well, however, the excellent work of Mr. Shih Chao-ying, former Director of the Council, who together with Dr. Chang Chi-hsien (who continues his important share in the editing of the volume) was responsible for the greatly improved second edition which preceded the present one. Dr. Hsu, in his preface, also gives credit to Dr. T. T. Li, Director of the Intelligence and Publicity Department of the Waichiaopu, for his co-operation in this work, which now contains a note in the fly-leaf "prepared from official sources." This transfer of the work from the Chinese Year Book Publishing Company evidently puts it in the category of an official publication.

The present volume has been well arranged, the 53 chapters now being divided into eight sections: (1) General Information. (2) System of Government. (3) Primary Governmental Functions. (4) Business Finance and Trade. (5) Agriculture and Industries. (6) Transportation and Communications. (7) Education, Public Health, Etc. (8) Frontier Regions. There is also a general appendix, an index, and a map.

General Information

The first chapter, Geography, includes Huang Kuo-chang's scholarly study of Chinese topography, somewhat condensed from the 1936/7 edition of the Year Book and omitting the physiographic map, Yu Ching-sung's chapter on Astronomy has been reduced to an account of recent developments in connection with China and reform of the world calendar, Chinese eclipse expeditions abroad in 1936, and useful tables showing the proposed new world calendar, the Chinese solar (seasonal) terms (*chieh-ch'i*), and lunar and astronomical phenomena (including eclipses) for 1938. Chu Co-ching's chapter on Climate has been condensed and brought down to date by John Lee.

The chapter on Population is again by Messrs. Tao Meng-ho and Wang Shih-ta, though Mr. Tao now gives his name as L. K. Tao. The figures are the same as those given in the previous year book, totaling some 438 millions, and are far below those of the Ministry of the Interior (given on pp.278/9 of the Year Book), which show close to 467 millions. The latter set of figures are definitely preferable, and generally conservative—notably for Szechwan. An interesting set of figures in the "Population" chapter are those of non-Chinese-speaking natives of China, who total over 26 millions; some 17.3 millions of these are in Yunnan and Kweichow (in which two provinces, as in Sikang and Tsinghai, they constitute a majority of the population) and Kwangsi. There is also a foreign population in China figured at a million and a half, 1.2 millions of these (a most conservative figure) being Japanese (including Koreans). As in the previous edition, this chapter is followed by F. K. Li's valuable outline of Languages and Dialects of China. This excellent chapter should be made compulsory reading (in English or Chinese) in every Chinese higher school; most Chinese are wholly ignorant of the relations of the Chinese languages to the other native dialects of the country, and even of the historical relations between the different Chinese language groups ("dialects") themselves.

The various chapters on "Religion" have in the new issue been properly combined into a single chapter, edited by Mr. Chang Chi-hsien (editor of the Year Book), which after an introductory section and some pages on Confucianism and Taoism goes on to Mr. Kuan's outline of Buddhism in China, Mr. Ha Kuo-tung's sketch of Mohammedanism (the text is but slightly altered from that of the previous Year Book, but Mr. Ha's name is now omitted), Mr. Zi's outline of Catholicism, and Mr. Lew's of Protestantism. The next chapter, History, is by Prof. Lei Hai-tsung, author of the excellent "Historical Sketch" in the 1936/7 Year Book (undoubtedly the best short history of China that has yet appeared in the English language); this year's chapter is greatly condensed as regards earlier history, but gives more detail of events of recent years.

The Chinese Government

The second part of the book, "System of Government," includes chapters on: The Kuomintang; Central and Local Administrative Systems; Executive Yuan; Legislative Yuan; Judicial Yuan; Control Yuan; Examination Yuan; The National Economic Council. The much-advertised Constitution has at last been omitted—which is just as well.

The third part, "Primary Governmental Functions," includes chapters on: Home Affairs; Foreign Relations; The North China Crisis; National Defense (The Army; the Navy; Military Aviation); and Public Finance and Taxation. Much of this section is of special interest at the present time, notably Prof. Hsu's "North China Crisis," covering the situation there from 1935 down to the beginning of hostilities last year. Of the chapter on "Foreign Relations," most timely and interesting is Dr. Ti-tsun Li's appendix on China's relations with the Occident, 1936/7. In the chapter on National Defense are properly grouped together the three articles on the different services. Only that on the Navy gives any real data—and this is now unfortunately much out of date. The chapter on Public Finance and Taxation is this year by Mr. Dung, chief statistician of the Ministry of Finance. It is about one-fourth the size of Mr. P. T. Chen's comprehensive study in the previous Year Book.

Under present conditions of a State-managed currency and State-guided banking system, the two chapters on banking and currency are rather closely linked with the previous one on public finance. There does not seem to be any indication in any of these sections as to how much the Chinese Government has made by the sale of "nationalized" silver during the last two years. These transactions are certainly no secret; they have greatly aided the National Government in strengthening its position both at home and in relation to foreign Powers, and are the basis for the continued stability of the new national dollar despite the present difficulties of the Government. At least a few paragraphs could have well been devoted to this astute bit of business.

Trade, Agriculture, Industry, Transport

The chapter on banking and currency in the previous year book has now been divided into two, by other authors. That on banking is by Director Ju-lin Foo of the Economic Research Department of the Central Bank; that on currency is by Mr. W. Y. Lin, author of "The New Monetary System of China." These two chapters are a part of the section on "Business Finance and Trade," which also includes new chapters on Insurance and Domestic Trade (subjects which were dealt with in the first issue of the Year Book but not in the second), and one on Foreign Trade.

The next section (Part 5), on "Agriculture and Industries," rather reverses the relative significance of things in China by starting off with a chapter on Industry, followed by one on Mining and Metallurgy. The chapter on Labor Conditions is again by the well-informed Lowe Chuan-hua. That on Agricultural Economy (a remarkably well-presented and scholarly account of China's basic economy) is again by C. C. Chang of the Bank of China; it is, unfortunately, now condensed into ten pages, leaving out much valuable material for which it is necessary to refer to earlier issues of the Year Book. It is rather surprising to note that China's basic economy is given far less space than industry (40 pages), mining and metallurgy (20 pages), labor conditions (16 pages), fisheries (24 pages), or hydraulic engineering works (15 pages), and that certain aspects of it are given far more space than agriculture itself. The chapter on Rural Reconstruction, by Dr. Leonard Hsu, covers 20 pages. That on the Co-operative Movement, by Y. S. Djang, covers 15 pages. That on Animal Husbandry, by New Tsunyoon, covers almost twenty pages. This whole section of "Agriculture and Industries" is much less informative than the same chapters (Dr. Hsu's chapter is a new one) in the previous edition, and is not at all well proportioned. It gives, however, more recent data.

The section on "Transportation and Communications" contains useful chapters on Railways, Highways (a new chapter), Commercial Aviation, Shipping, Electrical Communications, and the Post Office. The next section, on "Education, Public Health, Etc.", has chapters on Education; The Press; Publications; Motion Pictures; Physical Education; Public Health; and Opium Suppression. There is an eighth section, "Frontier Regions," with chapters on Northeastern China, Mongolia, Sinkiang, and Tibet, as well as on Chinese Overseas. Dr. Sheng-tsu Wang's chapter on Northeastern China, now under Japanese occupation, is of special interest at this time, showing as it does the burden which the Japanese have acquired in endeavoring to rule this vast area.

The General Appendix contains most useful tables of weights and measures, both old and new, as well as a directory

of high ranking officials of the Chinese Government (central and local), of the Chinese diplomatic and consular service abroad, and of the foreign diplomatic and consular service in China. There is a good index of the present volume, but none of either of the previous ones. There is also an excellent map, by Dr. Sheng-tsu Wang.

H. H.

Britain's Foreign Trade Policy

Great Britain's problems in connection with the negotiation of a reciprocal trade treaty with the United States are considered in detail in a 15-page pamphlet published by the Foreign Policy Association, Inc., New York. The author is James Frederick Green. He stated that the announcement in November 1937 that a trade agreement between Great Britain and the United States would be negotiated this winter, had aroused considerable interest in British commercial policies in the post-depression years. Under the heading, "Remedies for Depression," the author described the departure from gold and creation of the secret exchange equalization fund and the radical imposition of a tariff on imports in the United Kingdom, which, since 1932 have been four times as great as the American Smith-Hawley Tariff of 1930. The Ottawa Agreements and British trade greements in general receive considerable space as also does the question of assistance rendered to exports. Despite an obvious desire on the part of both countries to make a trade agreement, "the path of an Anglo-American trade agreement remains beset with formidable difficulties," stated the author, who explained that not the least of the complications are the "entanglements of the Ottawa agreements . . . but willingness to negotiate a trade agreement with the United States marks not only the first large-scale revision of the Ottawa system but also a reversal of British commercial policy."

Sixth Marines Bid Shanghai Farewell

Not only the general departure of the Sixth U. S. Marines from Shanghai, but also the manner in which they left this war-torn city after serving the community for a period of five months, is symptomatic of the turn for the better of the local situation.

Gradually, inconspicuously, men and officers of the Sixth Regiment, trickled on to the Customs Jetty in trucks, and thence by tender to the U.S. Transport Chaumont, which sailed with approximately 1,500 men for San Diego Saturday morning.

Like the departure of his men, that of Brigadier-General John C. Beaumont, commanding the Second U. S. Marine Brigade, lacked pomp and ceremony. Arriving at the Customs Jetty shortly after 10 o'clock yesterday morning, Brigadier-General Beaumont was greeted by Colonel Chas. F. B. Price, commanding the Fourth Marines.

Outnumbering the unassuming group of foreign officers were newsreel and still cameramen, busily recording the departure of the whitehaired, beetle-browed Brigadier-General as he took leave of Lt.-Col. L. Perretier, commanding the French forces, Lt.-Col. Andreini, commanding the Savoy Grenadiers, Major-General A.P.D. Telfer-Smollett, commanding the British garrison, and high officials of the French and Italian navies.

Admiral Harry E. Yarnell, commander of the U. S. Asiatic Fleet, arrived on the Customs Jetty from his yacht U.S.S. Isabel with officers to take leave of the departing commander. In each case farewells were brief but personal. Handshakes and salutes were exchanged with high naval and military officials in the multi-colored uniforms of several nations. Finally, at 10.15, a warm handclasp with Colonel Price, and the commander of the Second Brigade boarded the waiting Dollar tender carrying leathernecks and supplies.

As the tender was pulling off, Rear-Admiral Densiti Okoti, commandant of the Japanese Naval Landing Party and another high Japanese naval official arrived at the Customs Jetty. The tender was at the time some 10 yards away. Apologizing for failing to wait until their arrival, Brigadier-General Beaumont shouted a farewell, the Japanese standing at attention and saluting.

Are You Susceptible To Colds?

Now is the season for colds and some people are more subject to them than others under identical conditions. This is due in a large measure to the person's vital power, the ability of the system to resist attacks. The treatment of colds therefore should be directed to preventing them, which is best done by invigorating the system and building up the general health.

The diet should be generous but not stimulating and articles of easy digestion should be chosen. Eight hours, at least, of sleep, preferably in the early part of the night, are essential. For medicine Dr. Williams' Pink Pills are especially adapted because they build up the blood, strengthen the nerves and tone up the organs of digestion. You can get them at your chemist.

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Japanese Army Patrols to Stay Out of American Defense Sector

Japanese patrols will in the future avoid the American defense sector of Shanghai, according to an agreement reached following negotiations between the army authorities and the American Marine authorities.

A communique issued by the U. S. Marine headquarters on Feb. 17 declares, "Japanese Army officials have expressed regrets to the American Marine Corps authorities that the operation of Japanese patrols has given rise to controversies and state that instructions have been given to the gendarmes not to extend their routine patrols into the American sector in the future."

The conflict arose early last week when American Marines stopped a Japanese army patrol, armed with rifles with fixed bayonets, at Yu Ya Ching Road, although Japanese marines in trucks were allowed to enter the defense sector.

The Japanese explained that their patrols were similar to the military police of foreign forces and were intended to keep a check on Japanese army and navy men as well as civilians "south of the Creek." They explained that their patrols were drafted from the regular army and consequently carried rifles with fixed bayonets, instead of the customary night stick and side-arms of ordinary military police.

Since this agreement was reached other incidents have occurred. On the afternoon of Feb. 18 a party of ten or twelve Japanese soldiers, believed to be military police, were stopped by two French policemen outside the International Savings Society's offices on the Concession side of Avenue Edward VII. The two French policemen, both foreigners, armed with rifles, requested the Japanese to move across to the Settlement side of the road, pointing out that they were patrolling in French territory, which was not allowed.

While one policeman walked slowly around the patrol, the other went into the middle of the road and, pointing to the imaginary boundary between the Settlement and the Concession, requested the Japanese to move across. The N.C.O. in charge complied with the request.

An untoward incident occurred on Nanking Road and Szechuen Road corner on Feb. 18 when a Chinese ran up to a Sikh constable on traffic duty, showed him his handcuffed hands and asked for help. The Chinese was immediately followed by a Japanese in civilian garb.

The Sikh being unable to leave his traffic post, handed the complainant over to a Chinese constable of the S.M.P., who brought the man to the Central Police Station, the Japanese accompanying them, but demanding that the handcuffed Chinese be handed over to him, as he stated that he was a member of the Japanese Military Police.

The group was followed to the Central Police Station by three other Japanese dressed in civilian clothes, who later identified themselves as members of the Japanese Military Police and requested that the Chinese be handed over to them as he was suspected of anti-Japanese terroristic activities.

The Settlement Police refused to grant the request prior to investigating the case and after lengthy discussion the Chinese was detained in the cells at the Central Station pending inquiries being made.

Tsinan Cotton Mill Taken Over by Japanese

The Lu Feng Cotton Mill, largest Chinese plant in Tsinan, was taken over by the Toyo Cotton Spinning and Weaving Company on Feb. 15. Under the name of Cheng Ta Cotton Mill, the plant will hereafter be managed by the Japanese concern. It has 28,000 spindles.

Trade Concession Problem Settled

Long pending problems involved in trade concessions to Japanese residents in North China have been virtually settled by action of the Provisional Government of China, it was announced in Peiping Feb. 18.

Privileges granted by the new Government will prove beneficial to Japanese in operating various enterprises single-handed or in co-operative management with Chinese.

Ownership of real estate by Japanese in North China was recognized by the new Government. As regards the economic and industrial devleopment of North China, both the Japanese and Chinese authorities have been co-operating closely in establishing the North China Development Company, the Federated Reserve Bank of China and the Sino-Japanese Economic Association.

Japanese Population in Peiping Increased

During the last few months there has been a large influx of Japanese, Koreans and Formosans into Peiping. According to a Chinese report the number of Japanese, Formosans and Koreans in Peiping at the end of January was over 5,700 an increase of more than thirty per cent compared with December.

Tsingtao Customs Dues Payable in Yen

The Tsingtao Customs have been authorized and are accepting yen in payment of all duties at par with national currency, from Feb. 18.

Mr. Ching Chung-hsin, former Superintendent of the Salt Gabelle in Nanking, has been appointed Superintendent of Customs. in Tsingtao.

Japanese Trade to Have Favored Position in North China

Pending the disappearance of the Customs Gold Unit, the unification of North China currency with parity with the yen and the enforcement of exchange control, the "Provisional Government" at Peiping intends to severely restrict imports from countries other than Japan and goods which Japan is able to export, according to an article in the *Industrial Daily News* in Tokyo Feb. 18. This step, declares the article, is likely to be taken with the opening of the China Federated Reserve Bank on March 1.

Coal, Railway, Harbor Projects Planned in North China

Development of coal resources, railway transportation, and improvement of harbors will be important features of the forthcoming economic projects in North China, *Domei* was informed in governmental circles in Peiping Feb. 18.

The first stage of the developments will be carried out under a four-year plan to parallel the five-year industrial plan already inaugurated co-operatively by Japan and Manchukuo. It is expected that the North China Industrial Development Company will participate in the enterprises as a central motivating force, under the guidance of the Sino-Japanese Economic Conference to be held shortly in Peking.

Although the North China Industrial firm will be a Chinese corporation under Sino-Japanese joint management, it will invite foreign capital in accordance with the "open door" principle.

Hirao Returns to Tokyo

Mr. Hatsusaburo Hirao, former Minister of Education, and now president of the semi-official Japan Iron Manufacturing Company, returned to Tokyo Feb. 14 after completing an inspection tour of Manchukuo and North China. He investigated economic and industrial conditions on the continent. Mr. Hirao is expected to become Economic Adviser to the Japanese Garrison in North China.

"Hell Drivers" Lose Action in U.S. Court for China

Judgments in the sum of U.S.$4,800, U.S.$8,600 and U.S.$3,600 were given by Judge Milton J. Helmick in the U. S. Court for China Feb. 21 to Helen Roberts Schooss, H. E. Heinzerling and Miguel Engel respectively in their actions for damages sustained by an accident during the "Hell Drivers" exhibition staged at the Shanghai Race Club track on May 29, 1937.

Five different plaintiffs brought actions against the same defendants: Chrysler Corporation; China Motors, Fed. Inc., U.S.A.; Richard L. Acton and Neil Oldfield. The latter two defendants were employed by the Chrysler Corp. as exhibition "stunt" drivers known as "Hell Drivers," their performance being designed to demonstrate the sturdy qualities of motor cars manufactured by the Chrysler Corp.

The complaint of Mark L. Moody and the action of Carl W. Schooss were dismissed. Mr. Moody was "one of the participants in the joint adventure" and in the opinion of the Court he could maintain no cause of action against his own corporation under the circumstances, and consequently he could have no cause of action against company's co-adventurers. In the case of Mr. Schooss, the Court ruled that he was a joint plaintiff in a single action at law with his wife and there were no extra costs entailed in the case by reason of his joinder, the Court having awarded full damages to his wife, who was the real party in interest.

Asking For Trouble!

The first surreptitious smoke is apt to lead to trouble with dire results for the young offender; possibly parental chastisement, and probably an upset stomach. The former should have a salutary effect, the latter consequence of childish misdoing can quickly be put right by a dose of Baby's Own Tablets, the laxative medicine especially devised by a British physician for the correction of little children's stomach and bowel complaints.

These Tablets are guaranteed to be entirely free from harmful ingredients, they act in a gentle manner and being pleasant in taste can be administered without fuss or bother. They are equally good for the infant in arms for older children.

For infantile indigestion, constipation, vomiting, bile, diarrhoea, worms and teething troubles there is nothing more speedily effective than Baby's Own Tablets. Obtainable from chemists everywhere.

YOUR HELP NEEDED!

Up to January 22nd, the Shanghai International Red Cross has among other things spent $417,527.34 for caring of refugees, $109,392.38 for wounded soldiers, $59,063.69 for medical supplies, and $19,379.40 for civilian hospitals. Though these are large sums, they have not been sufficient to meet the needs of the multitudes of war sufferers in the city.

Beginning from January, the Shanghai International Red Cross has undertaken the responsibility of supporting some 150,000 more refugees. For this additional relief burden, no less than $450,000 are required per month.

In view of this desperate situation, the Shanghai International Red Cross feels that unless increasingly large donations can be obtained from friends in outports and abroad, its work cannot go on unhampered. Will you extend a helping hand in this humanitarian work? If so, please sign the blank below and send your donation today.

.....

To the Shanghai International Red Cross,
505 Honan Road, Shanghai.

Desiring to have a share in assisting the multitudes of war refugees in Shanghai, I hereby enclose a check (or postal money order) for Dollars.....as my donation to the Shanghai International Red Cross.

Name.....
Address.....

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In a day-to-day record of the "Undeclared War" on the Shanghai and Peiping fronts since the beginning—July 7 in the north, July 24 at Shanghai?

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